S6615-2

OCTOBER 1990

OREGON LABOR TRENDS

State of Oregon • Employment Division • Department of Human Resources

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Sept.	1990	5.9
Aug.	1990	5.5
Sept.	1989	5.7

United States (Seas. Adj.)

Sept.	1990	5.7
Aug.	1990	5.6
Sept.	1989	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Sept.	1990	133.0
Aug.	1990	133.7
July	1990	133.0
June	1990	132.7
May	1990	133.5

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

Aug.	1990	$10.96
July	1990	$11.18
Aug.	1989	$10.56

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Aug.	1990	39.4
July	1990	38.6
Aug.	1989	39.7

CONSUMER PRICE INDEX (CPI)

1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver

Jan.-June 1990	124.9
Yearly change	4.7%
Annual Average 1989	120.4
Yearly change	5.0%

United States

Sept. 1990	132.7
Yearly change	6.2%
Annual Average 1989	124.0
Yearly change	4.8%

Portland Hotline 326-4132

"IS IT TIME TO USE THE R-WORD?"

Graham Slater

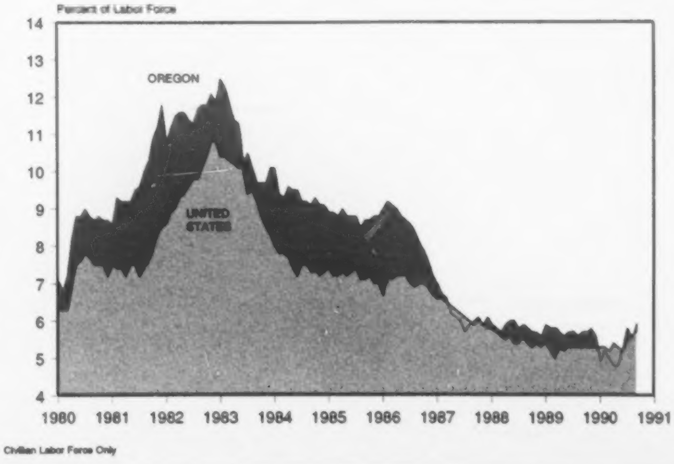
Let me start by thanking the radio news editor who gave me this month's title. His question reflected the thoughts and concerns of many Oregonians after a week of troubling economic events. The early-October economic news included an increase in the U.S. unemployment rate, a 78-point plunge in the Dow Jones Industrial Average, total chaos and confusion regarding the federal budget, continuing increases in wholesale and retail oil prices, a poor showing from retail sales in September, and several layoff announcements in Oregon, especially in the lumber and high-tech industries.

Given this background, the four-tenths increase in Oregon's seasonally adjusted unemployment rate between August and September confirmed, for some, that the time for "the R-word" had arrived. The 5.9% rate is not itself an indicator of an economy in deep trouble. However, Oregon's unemployment rate has now increased substantially in three of the past four months, a pattern unprecedented since late 1981, when this state was heading toward the worst of the 1981-82 recession.

Let's take a moment to address the editor's question -- are we in a recession? While some are starting to believe that we have indeed crossed over from a slowdown to a recession, my response would be, "no, not at this time." Here's why:

- While there has certainly been a slowing in economic growth, we have not registered consistent job losses across the Oregon economy. I am using several graphs to illustrate various points for this article. The first of these shows clearly that wage and salary employment has grown consistently over the past five years, but has basically been on a plateau for the past seven months. (Note that the 1990 data on this graph have been adjusted to remove the misleading effects of the U.S. Census Bureau employment and the recent retail clerks' strike.) The important point is that employment has not actually turned down at this time.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK)

				CHANGE FROM	
INDUSTRY	SEP. 1/ 1990	AUG.2/ 1990	SEP. 1989	AUG. 1990	SEP. 1989
TOTAL 5/	1,263,000	1,259,400	1,231,000	3,600	32,000
WAGE & SALARY EMPLOYMENT INDEX 6/	133.0	133.7	129.6	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	282,000	285,300	278,200	- 3,300	3,800
SERVICE PRODUCING INDUSTRIES 8/	981,000	974,100	952,800	6,900	28,200
TOTAL MANUFACTURING	226,700	230,300	226,900	- 3,600	- 200
DURABLE GOODS	159,900	161,500	162,000	- 1,600	- 2,100
LUMBER & WOOD PRODUCTS	64,800	65,600	68,800	- 800	- 4,000
LOGGING	12,100	12,000	12,900	100	- 800
SAWMILLS	21,100	21,300	23,200	- 200	- 2,100
VENEER & PLYWOOD	13,800	14,400	15,900	- 600	- 2,100
MILLWORK & STRUCTURAL WOOD	11,100	11,300	10,500	- 200	600
MOBILE HOMES	2,200	2,100	1,900	100	300
OTHER WOOD PRODUCTS	4,500	4,500	4,400	0	100
FURNITURE AND FIXTURES	3,200	3,100	3,100	100	100
STONE, CLAY, GLASS & CONCRETE	4,600	4,600	4,400	0	200
PRIMARY METALS	11,800	11,900	11,200	- 100	600
BLAST FURNACES, IRON & STEEL 9/	6,000	6,100	5,700	- 100	300
NONFERROUS METALS 9/	5,800	5,800	5,500	0	300
FABRICATED METALS	12,000	12,100	12,100	- 100	- 100
FABRICATED STRUCTURAL METALS	5,200	5,300	5,000	- 100	200
OTHER FABRICATED METALS	6,800	6,800	7,100	0	- 300
MACHINERY	17,600	17,700	17,900	- 100	- 300
OFFICE & COMPUTING MACHINES	4,700	4,700	4,800	0	- 100
OTHER MACHINERY	12,900	13,000	13,100	- 100	- 200
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,500	17,400	16,000	100	1,500
TRANSPORTATION EQUIPMENT	13,500	14,000	12,100	- 500	1,400
INSTRUMENTS & RELATED PRODUCTS 9/	11,100	11,200	12,400	- 100	- 1,300
MISCELLANEOUS MANUFACTURING	3,800	3,900	4,000	- 100	- 200
NONDURABLE GOODS	66,800	68,800	64,900	- 2,000	1,900
FOOD & KINDRED PRODUCTS	31,000	32,700	29,300	- 1,700	1,700
CANNING & PRESERVING	19,700	21,300	18,400	- 1,600	1,300
OTHER FOOD PRODUCTS	11,300	11,400	10,900	- 100	400
TEXTILE MILL PRODUCTS	1,700	1,700	1,800	0	- 100
APPAREL	2,600	2,600	2,700	0	- 100
PAPER & ALLIED PRODUCTS	9,200	9,400	9,200	- 200	0
PRINTING & PUBLISHING	14,100	14,100	13,700	0	400
CHEMICALS & ALLIED PRODUCTS	2,300	2,400	2,300	- 100	0
PETROLEUM & ASPHALT PRODUCTS	500	500	500	0	0
RUBBER & PLASTIC PRODUCTS	4,900	4,900	4,900	0	0
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,036,300	1,029,100	1,004,100	7,200	32,200
MINING & QUARRYING	1,600	1,500	1,600	100	0
CONSTRUCTION	53,700	53,500	49,700	200	4,000
BUILDING CONSTRUCTION	13,000	12,900	12,200	100	800
HEAVY CONSTRUCTION	7,300	7,300	7,200	0	100
SPECIAL TRADE CONTRACTORS	33,400	33,300	30,300	100	3,100
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	64,300	64,600	64,200	- 300	100
TRANSPORTATION	43,100	43,000	42,900	100	200
RAILROAD	3,800	3,800	3,900	0	- 100
TRUCKING & WAREHOUSING	24,800	25,000	24,800	- 200	0
OTHER TRANSPORTATION	14,500	14,200	14,200	300	300
COMMUNICATIONS	12,300	12,400	12,600	- 100	- 300
UTILITIES	8,900	9,200	8,700	- 300	200
TRADE	329,700	333,800	319,400	- 4,100	10,300
WHOLESALE TRADE	84,200	84,300	81,000	- 100	3,200
DURABLE GOODS	48,000	48,700	46,400	- 700	1,600
MACHINERY, EQUIPMENT, & SUPPLIES	11,200	11,400	10,900	- 200	300
OTHER DURABLE GOODS	36,800	37,300	35,500	- 500	1,300
NONDURABLE GOODS	36,200	35,600	34,600	600	1,600
GROCERIES & RELATED PRODUCTS	14,800	14,000	14,200	800	600
OTHER NONDURABLE GOODS	21,400	21,600	20,400	- 200	1,000
RETAIL TRADE	245,500	249,500	238,400	- 4,000	7,100
BUILDING MATERIALS & GARDEN SUPPLIES	9,800	9,800	8,700	0	1,100
GENERAL MERCHANDISE	30,700	30,800	30,000	- 100	700
FOOD STORES	42,900	47,300	40,400	- 4,400	2,500
AUTO DEALERS & SERVICE STATIONS	29,400	29,800	29,400	- 400	0
APPAREL & ACCESSORY STORES	9,900	10,400	10,000	- 500	- 100
FURNITURE & HOME FURNISHINGS	9,900	9,700	9,500	200	400
EATING & DRINKING PLACES	89,500	88,600	86,300	900	3,200
MISCELLANEOUS RETAIL	23,400	23,100	24,100	300	- 700
FINANCE, INSURANCE, & REAL ESTATE	78,000	77,900	76,000	100	2,000
FINANCE	28,300	28,300	28,000	0	300
INSURANCE	22,200	22,300	22,200	- 100	0
REAL ESTATE	27,500	27,300	25,800	200	1,700
SERVICES	295,000	294,600	285,900	400	9,100
HOTELS & OTHER LODGING PLACES	20,500	21,500	19,300	- 1,000	1,200
PERSONAL SERVICES	11,000	11,000	10,900	0	100
BUSINESS SERVICES	48,200	49,200	48,900	- 1,000	- 700
AUTOMOTIVE & MISC. REPAIR SERVICES	15,600	15,800	15,500	- 200	100
MOTION PICTURES & AMUSEMENTS	13,800	14,400	14,500	- 600	- 700
HEALTH SERVICES	88,300	87,400	83,300	900	5,000
LEGAL SERVICES	9,000	9,200	8,700	- 200	300
PRIVATE EDUCATION	15,200	11,600	14,300	3,600	900
SOCIAL SERVICES	25,100	25,000	24,900	100	200
ENGINEERING & MANAGEMENT SERVICES	20,200	20,300	18,700	- 100	1,500
OTHER SERVICES & NEC	28,100	29,200	26,900	- 1,100	1,200
GOVERNMENT	214,000	203,200	207,300	10,800	6,700
FEDERAL GOVERNMENT	34,000	34,300	33,600	- 300	400
STATE GOVERNMENT	57,000	57,700	55,400	- 700	1,600
EDUCATION	20,900	20,600	20,100	300	800
OTHER STATE	36,100	37,100	35,300	- 1,000	800
LOCAL GOVERNMENT	123,000	111,200	118,300	11,800	4,700
EDUCATION	73,500	60,600	70,600	12,900	2,900
OTHER LOCAL	49,500	50,600	47,700	- 1,100	1,800
LABOR-MANAGEMENT DISPUTES 10/	300	700	400	- 400	- 100

OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	SEP. 1/ 1990	AUG.2/ 1990	SEP. 1989	CHANGE FROM AUG. 1990	CHANGE FROM SEP. 1989
CIVILIAN LABOR FORCE 3/	1,514,700	1,531,100	1,460,500	-16,400	54,200
UNEMPLOYMENT	80,900	79,100	74,400	1,800	6,500
PERCENT OF LABOR FORCE	5.3	5.2	5.1	XXX	XXX
SEASONALLY ADJUSTED PERCENT	5.9	5.5	5.7	XXX	XXX
TOTAL EMPLOYMENT 4/	1,433,800	1,452,000	1,386,100	-18,200	47,700

1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

- Construction employment has been extremely strong throughout 1990. The second graph shows the consistent growth in construction employment over the past seven years, growth which has certainly continued throughout 1990. It is almost inconceivable that Oregon could be in recession even though the construction industry remained strong.
- An unemployment rate of 5.9% simply does not bear out a diagnosis of recession. Indeed, by historical definition, an unemployment rate of 6% indicated "full employment," a situation where only "healthy" job-changing unemployment was taking place.

So if we are not in recession, what is going on? I think that Oregon's economy is now at a significant crossroads. Two possibilities seem likely: we might be facing several months of painful, but not serious, economic stagnation, or we could indeed be heading for recession within a month or so. Much depends on the performance of the non-lumber industries of the manufacturing sector and the entire construction industry.

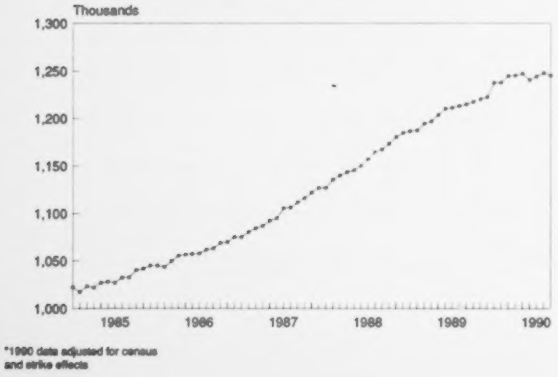
Enough rambling about the semantics of recession. Let's look at some specifics.

Aside from the unemployment rate and total nonfarm payroll employment, both discussed above, the single most significant factor in September was the employment loss in the lumber industry. Six more mills announced cutbacks, for a total loss of 800 jobs. The most severe (more than 300 layoffs) came at the Georgia Pacific mill in Coquille, near the Southern Oregon coast in Coos County. As is frequently the case, this lumber closure hit a small town where 300 jobs represents a large percentage of the manufacturing base.

A third graph shows lumber and wood products employment since 1985. While there are noticeable seasonal peaks and troughs, it is obvious that we are heading into this winter at a much lower level than in the past few years. Indeed, the solid line is drawn to demonstrate the average September employment level over the past four years. No rocket scientists are needed to figure out that we are substantially below that level as we head into this winter. Therefore, a combination of the usual winter slowdown and continuing layoffs due to the poor market conditions and timber supply problems are likely to make this a long, hard season for the industry.

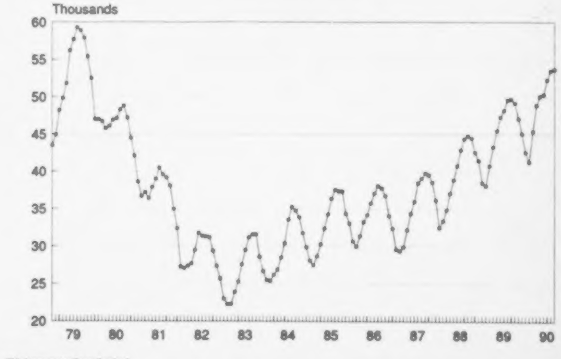
Data from the Employment Division's unemployment insurance (UI) records give some other interesting perspectives on the timber industry's current position. First, a graph of new UI claims shows clearly that unemployment in this

Graph 1
OREGON WAGE AND SALARY EMPLOYMENT
SEASONALLY ADJUSTED, 1985-1990*



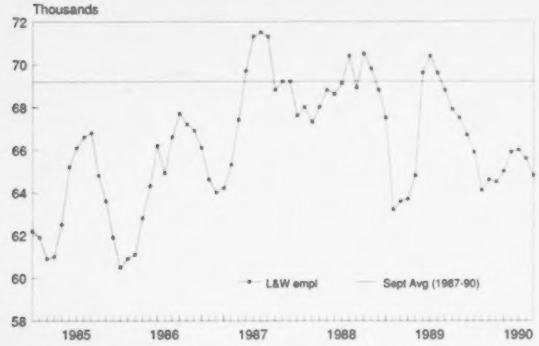
*1990 data adjusted for census and strike effects

Graph 2
OREGON CONSTRUCTION EMPLOYMENT
1979-1990, MONTHLY DATA*



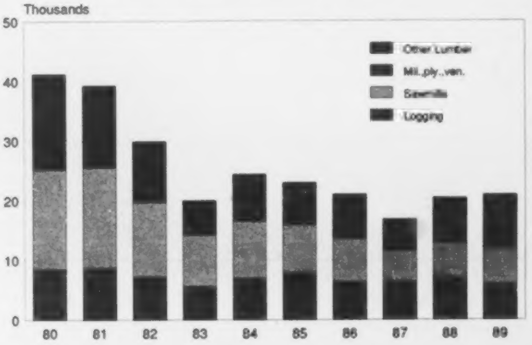
*Not seasonally adjusted

Graph 3
OREGON LUMBER & WOOD EMPLOYMENT
1985-1990, MONTHLY DATA*



*Not seasonally adjusted

Graph 4
NEW CLAIMS FOR UI BENEFITS
LUMBER AND WOOD PRODUCTS WORKERS



industry has increased the last couple of years. It is certain that the figures for 1990 will show a further jump.

> ***. . . a special study of lumber and wood UI claimants. . . showed that one-fourth did not complete high school, while only 12% had any post-high school education.***

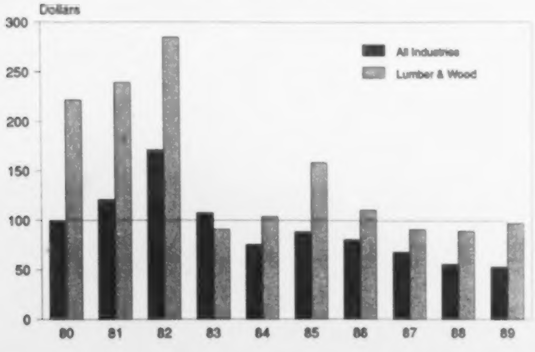
Another graph shows the amount of UI benefits paid out to claimants for every $100 dollars paid into the trust fund in UI taxes. Amazingly, even in good years, the volatile lumber industry pays out most of the UI tax dollars collected to those employees affected by the frequent temporary or permanent layoffs and/or shutdowns. (The solid line represents a "break-even" point.) Data for all industries, on the other hand, suggest that only half of the taxes collected are distributed back to claimants during the "good times." (It is this excess of taxes over benefits that builds the UI trust fund so that UI benefits are available during recessionary periods, when the tax collections are down, but claims rise rapidly.)

Finally, UI benefits data can give some interesting information about the "average" worker laid off from the lumber and wood products industry. Almost two-thirds of the lumber-related claimants in August were in the 20-39 age group, 93% were white, and 86% were male. Additional information from a special study of lumber and wood UI claimants in December 1989 through February 1990 showed that one-fourth did not complete high school, while only 12% had any post-high school education. Half were involved either in logging or the machine trades, with the rest spread amongst a diverse group of occupations ranging from professional and technical to processing and benchwork.

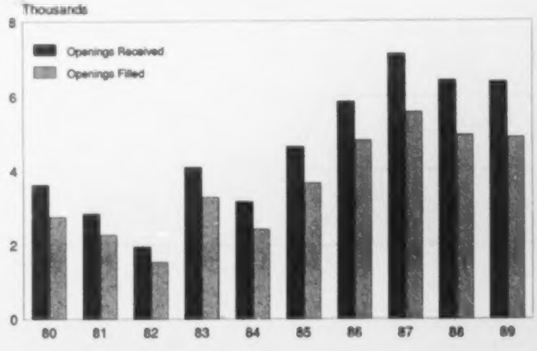
Finally, internal Employment Division data from the job placement side further confirms the slowdown in lumber activity over the past year. An accompanying graph shows a notable drop in the number of openings made available through Employment Division offices, with a comparable decline in the number of openings filled. Again, 1990 data are likely to show a further drop.

Going back to the September statistics, and moving on from the lumber industry, it is clear that September was a difficult month across a wide range of manufacturing industries. Transportation equipment was a major loser with jobs lost at Freightliner and in the ship repair segment. More weakness was evident in the nondurable goods sector where pulp and paper mills dropped 200 employees over the month. In addition, rubber and plastic products, which has averaged 400 new jobs every year since 1984, is currently at exactly the level of one year ago.

Graph 5
UI BENEFITS PAID PER $100 TAX COLLECTED
ALL INDUSTRIES AND L&W PRODUCTS



Graph 6
OPENINGS RECEIVED AND FILLED
OREGON LUMBER AND WOOD PRODUCTS



Retail trade employment was the only real source of misleading statistics in September. (The phrase "misleading statistics" is intended to alert readers that raw employment figures sometimes inadequately reflect what is happening in the economy. Recent examples of this would include the massive infusion of temporary jobs as a result of the U.S. Census and the apparent strength of the lumber industry early in 1990, only because thousands of lumber workers were on strike early in 1989.) Anyway, retail trade employment appeared to suffer major trauma in September, with the loss of 4,000 jobs. In reality, most of this decline was the result of a statistical quirk in August, when both replacement workers and returning strikers were counted as employees due to the timing of the grocery clerks' strike. In reality, retail employment is fairly strong, currently standing more than 7,000 above year ago levels.

Finally, services employment turned in a sluggish month, with lodging places and business services (each down 1,000) the big losers. Even though hotels employment took this dive, comparisons with year ago levels suggest that this has been a good summer for tourism in general. Hotels provided 1,200 more jobs this September than they did one year ago. The current level (20,500 employees) represents an all-time September high for the industry. Business services, long one of the growth favorites of the service sector, seems to have hit a minor slump, with employment down 700 over year ago levels.

Before bringing this to a close, one more reference to the R-word is necessary. Most Oregonians still remember quite vividly the severity of the recession we suffered in the early 1980s. It's important to recognize that this one (if it happens) will be different. On the negative side, the problems in the lumber industry are not just demand-driven, so the current trials cannot be viewed simply as "one more downturn." Depending on the long-range timber supply solutions, the lumber industry may be down for a long count. On the other hand, any recession which does come will most likely result in much lower levels of unemployment than those of the early eighties. While I refuse to be held accountable for the rest of this paragraph a year from now, we're expecting unemployment rates to increase to the 6.5% to 7% range next year. The unemployment rate during 1982 averaged 11.5%, substantially higher than anything expected this time around.

So my suggestion to those of you still reading is to be aware of the potential problems in the economy, keep your eyes on the Oregon construction industry as the main player in determining when and if we really enter a recession, and don't get confused by listening to too many economists. Of course, by the time you read this, two more weeks of economic news may have already made it clear whether it's time to use the R-word. ☐

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Aug.[2] 1990	July[3] 1990	Aug. 1989	Aug.[2] 1990	July[3] 1990	Aug. 1989	Aug.[2] 1990	July[3] 1990	Aug. 1989
TOTAL MANUFACTURING[4]	$431.82	$431.55	$419.23	39.4	38.6	39.7	$10.96	$11.18	$10.56
Durable Goods	447.08	440.74	436.80	39.6	38.9	40.0	11.29	11.33	10.92
Lumber & Wood Products	430.29	424.88	438.90	38.8	37.6	39.9	11.09	11.30	11.00
Logging & Sawmills	459.69	449.70	473.15	38.5	36.8	40.2	11.94	12.22	11.77
Veneer & Plywood	405.75	407.75	422.26	37.5	36.9	39.5	10.82	11.05	10.69
Millwork & Structural	389.09	384.87	368.00	40.7	40.3	39.4	9.56	9.55	9.34
Mobile Homes	385.06	361.44	345.08	41.9	37.3	38.6	9.19	9.69	8.94
Other Wood Products	412.11	420.59	419.29	39.1	38.8	40.2	10.54	10.84	10.43
Furniture & Fixtures	355.01	361.75	366.11	36.3	35.5	37.9	9.78	10.19	9.66
Primary Metals	483.49	485.20	497.96	38.1	38.6	42.2	12.69	12.57	11.80
Fabricated Metals	411.84	405.08	402.11	39.0	38.0	39.5	10.56	10.66	10.18
Machinery (Ex Electrical)	431.89	450.15	437.20	38.7	40.3	40.0	11.16	11.17	10.93
Nondurable Goods	396.63	410.02	378.67	39.0	38.0	39.2	10.17	10.79	9.66
Food & Kindred Products	314.88	325.53	312.04	38.4	36.7	39.3	8.20	8.87	7.94
Canning & Preserving	269.47	275.62	272.65	37.9	35.2	39.4	7.11	7.83	6.92
Other Food Products	435.01	436.69	413.90	39.8	40.1	38.9	10.93	10.89	10.64
Textile Mill Products	255.50	278.96	212.88	36.5	36.9	32.5	7.00	7.56	6.55
Apparel	268.16	233.13	263.07	38.2	33.4	39.5	7.02	6.98	6.66
Paper & Allied Products	623.78	651.66	604.75	40.4	41.8	41.0	15.44	15.59	14.75
Printing & Publishing	501.42	497.36	435.05	38.9	38.2	36.9	12.89	13.02	11.79
Construction[4]	583.31	594.82	577.54	38.2	38.4	38.4	15.27	15.49	15.04
Communications & Utilities[5]	564.59	559.38	548.22	39.9	38.9	41.5	14.15	14.38	13.21
Trade[5]	315.52	337.01	317.45	34.0	35.7	35.0	9.28	9.44	9.07
Wholesale Trade	421.01	450.04	410.97	38.1	39.1	37.6	11.05	11.51	10.93
Retail Trade	261.26	279.82	269.26	31.9	34.0	33.7	8.19	8.23	7.99
Banking & Insurance[5]	366.42	378.11	335.92	37.2	38.9	37.2	9.85	9.72	9.03
State & Local Government	444.70	446.53	421.36						

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[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.*

BEYOND WORKFORCE 2000

Bob Baugh

(Editor's note: Mr. Baugh is the Manager of the Workforce Development Section, Oregon Economic Development Department, in Salem. He recently coauthored with Tami Miller, Policy Analyst with the Joint Legislative Committee on Trade and Economic Development, a white paper entitled "LESSONS FROM THE OLD WORLD - European Workforce Development Strategies for Oregon." Copies of this report will be available in late October from the authors.)

Workforce 2000 made us ask questions of ourselves that most other industrialized nations answered long ago. Our competitors in Asia and Europe recognized the links between education, employment, and training. They forged policies and programs to provide solid academic credentials and occupational skills. We have not. Their business and labor organizations are active partners with government and education. Ours are not. Their work force is competitive and prepared to meet the future. Ours is in jeopardy. This can be a crisis; and it can be an opportunity.

"ACROSS THE DEEP BLUE SEA"

Looking at the competition can provide both good ideas and practical applications. Europe, in particular, is facing demographic and economic changes similar to the United States and Oregon. But, Europe's existing education and job training systems are better equipped to manage changes than ours. Swedish employers say they are prepared because "Europeans have reached consensus on training as a key to entry into the labor market. In America a worker must gain entry and then be trained, maybe." A comparison of the education systems verifies this observation:

- Europe's high school dropout rate is under 10 and as low as 5 percent; ours has been as high as 30 percent.
- Sixty-five percent of all European students are enrolled in vocational, technical, and apprenticeship programs. In Oregon approximately 9 percent of grade 10-12 students are enrolled in vocational programs providing a "significant vocational experience" and 50 percent pursue "general studies."
- On-the-job work experience is a must for all European vocational students and instructors. Education is linked to the job market. No such requirements exist in Oregon.
- European students graduate sooner with more skill in vocational occupations than American students.

Vocational education in America lacks the status, funding, and private partners that make up our competitors' dynamic system of occupational training.

The most serious consequence of the disconnection between education and employment in the U.S. is the failure to produce competitive entry-level workers. The figures appearing in Table 1 confirm what has become obvious to many employers: there is a gap between education and work in the United States, a gap that doesn't exist in Denmark, Sweden, or Germany because European students learn job skills as part of the educational process. By comparison, American students generally must acquire skills on-the-job and at the expense of employers or themselves. It appears that American workers may lose up to ten of their most productive years in the labor market.

"CAN'T GET NO RESPECT"

The gap between school and work is the focus of the Report of The Commission on the Skills of the American Workforce. This new study, *America's Choice: High Skills or Low Wages**, contends our future economic growth is dependent upon a workforce that is not college bound and our future prosperity is linked to its development. It is blunt in its assessment that neither schools nor work are organized to produce the highly skilled, productive frontline workers critical to this future:

- "[We] balance our education budgets on the backs of our dropouts."

TABLE I
KEY ECONOMIC, EDUCATION & JOB TRAINING STATISTICS

	DENMARK	SWEDEN	GERMANY	OREGON
Population	5 Mil.	8 Mil.	65 Mil.	2.5 Mil.
High School Dropouts	5%	5%	5%	25%
Unemployment	7%	1.4%	8%	4-12%
Voc-Tech Enrollment*	65%	65%	65%	9%
Structured Work Exper in High Schl Voc-Tech**	100%	100%	100%	35%
High School Apprentice Program Enrollment	30-35%	NA	30-35%	0
General Education Program Enrollment	0	0	0	50%
Work Experience Rqmt for Instructors	YES	YES	YES	NO
Voc-Tech Instructor Continuing Educ Rqmt	YES	YES	YES	NO
Age of 1st Year Apprentice	16/17	16/17	16/17	26
Age of Journeymen	19/20	19/20	19/20	29/30
Average Age of College Level Voc-Tech Student	20	20	20	30

**Based on a grade 10-12 comparison. European voc-tech is a highly structured full-time experience. In 1989, 8,600 Oregon grade 10-12 students engaged in a "significant vocational experience" of 3 hours per day for one year.*

***Structured Work Experience is a formal course requirement in Sweden, Denmark and Germany, and 100 percent of students enrolled in vocational programs participate in on-the-job training for which they receive course credit. By comparison, only 35 percent of the 9 percent of Oregon students in significant vocational experiences engage in a structured work experience which is usually not required, very limited, and for which the student is unlikely to receive any educational credit.*

Source: *"LESSONS FROM THE OLD SCHOOL," a white paper on European education and job training systems; Tami Miller and Bob Baugh, authors; published October 1990.*

- "Over 90 percent [of employers] view a high school diploma as a sign of an applicant's reliability and staying power. Holding a diploma distinguishes applicants by proving they did not drop out."
- "All told, 70 percent of the present jobs in America will not require a [4 year] college education by the year 2000. These jobs form the backbone of our economy, and the productivity of workers in these jobs will make or break our economy in the future."
- "Other advanced industrial nations provide 'professionalized' education to non-college educated workers to prepare them for trades and ease their school-to-work transition. The United States does not."

The vocational programs that do exist in the U.S. are limited and often lack respect. The pioneering 1988 MIT study of productivity, *Made in America*, notes that vocational education programs enroll some five million students annually but "employers do not see high school programs as a prime source of skilled or even trainable workers." In fact, having participated often "stigmatizes workers in the eyes of employers." Vocational education in America lacks the status, funding, and private partners that make up our competitors' dynamic system of occupational training.

Less than 10 percent of all workers receive any formal training and most of those are "managers and technical elites."

"MIRROR, MIRROR, ON THE WALL"

The problems confronting occupational training in the education system are mirrored in the private sector. *Made in America* found "most workplace training unstructured and often nonexistent." In spite of the billions of dollars employers report spending on workplace training, it represents less than 1.5 percent of total payroll costs. Less than 10 percent of all workers receive any formal training and most of those are "managers and technical elites." These and other findings led the MIT researchers to conclude:

- "There seems to be a systematic under-evaluation in this country of how much difference it can make when people are well-educated and when their skills are continuously developed and challenged."
- "The origins of the problem lie not in the disappearance or weakening of basic American values and capabilities, but in the institutions that educate Americans for work."
- "Without major changes in the ways schools and firms train workers over the course of a lifetime no amount of macroeconomic fine tuning or technological innovation will be able to produce significantly improved economic performance and a rising standard of living."

The crisis of a workforce and workplace out of sync with each other and our competitors provides the seeds of opportunity for the 1990s.

"WAKE UP AND SMELL THE '90S"

Workforce 2000 is a wake-up call for America. The crisis of a workforce and workplace out of sync with each other and our competitors provides the seeds of opportunity for the 1990s. The challenge is substantial. It will mean developing an education and training system that provides both academic and occupational skills. It will require investments in the existing workforce. It will take new types of partnership between business, labor, government, and education. This is more than policy; it is reshaping the American culture of work and education.

On the national level, The Commission on the Skills of the American Workforce has developed an aggressive agenda to produce a better-educated, better-trained workforce.

It has proposed a five-point plan:

- Create a new educational performance standard, benchmarked to the highest in the world, to be met by all American students at age 16.
- Create new alternative learning environments to recover virtually all of our dropouts and take responsibility for helping them meet this new educational standard.
- Establish comprehensive job-specific training and certification programs to "professionalize" non-college occupations.
- Provide all employers with incentives to invest in further training and education of their frontline workers, and assist them to reorganize work to make use of these new skills.
- Develop local employment and training boards to pull together the pieces of this new high performance education and training system.

The Commission proposal is a significant departure from the way we currently do business. Canada arrived at similar conclusions a couple of years ago and is now in the process of implementing a number of these ideas.

"BRINGING IT BACK HOME"

Laboratory of Democracy author David Osborne cites an "explosion of innovation" at the state level grappling with issues only being debated at the national level. This is true in Oregon. Here and in other states economic development and workforce development have converged as issues. After a year of research and debate, "A Superior Workforce" emerged as the primary goal in Oregon's strategic plan for economic development. *Oregon Shines* identified institutional partnerships as critical to building "a workforce that is measurably the most competent in America by the year 2000 and equal to any in the world by 2010."

The Legislature responded with policy and tools in support of this goal. In 1989, the Trade and Economic Development Committee developed and passed the Workforce 2000 Act. The Progress Board was established to keep Oregon focused on the future and the goals of *Oregon Shines*. The Workforce 2000 programs are small compared to the state's budget, but they are strategic. The Act has enabled Oregon to take important basic steps in new directions.

"TOOLS AT WORK"

Innovation, cooperation, partnership, and planning are the points of the Workforce 2000 Act. On the policy side it explicitly linked state economic development strategies and education planning. The Economic Development Department was given overall responsibility for the $8 million in funding. The programs within the Act are tools to support policy development, innovation, and partnerships:

- Workforce Assessment - Oregon is the first state to comprehensively assess the functional literacy of its workforce.
- Occupational Program Planning System is a sophisticated employment history tracking system to evaluate training effectiveness.
- 2+2 Vocational Education helps upgrade high school training with technology education, linking vocational and academic education, and linking secondary and community college occupational training.
- Key Industry and Targeted Training helps organize businesses within an industry to meet their joint training needs in cooperation with community colleges.

- Skill Centers and Advanced Technology Centers cover the workforce spectrum. The basic skills are offered at centers in Coos Bay, Grants Pass, McMinnville, and Portland. The Advanced Technology Center in Wilsonville focuses on cutting-edge manufacturing technology and skills upgrade.

The early results of the Workforce 2000 Act are encouraging. Collaborative competition is taking place as businesses in industries like metals, plastics, and semiconductors band together around their joint training needs. Community colleges are engaged in unprecedented cooperative efforts around the Advanced Technology Center and Key Industry initiatives. Shop class is being replaced by Technology Education while applied academics is used to integrate math and physics with computer education. These are exciting changes designed to give workers and students new skills. But, there is a long way to go.

"YOU GOTTA MOVE"

The next step for Workforce 2000 and beyond is to fully develop business and labor as partners. Developing dynamic partners that will help identify needs, build curriculum, provide work experience opportunities, invest in their own employees, and help reform our education and training system must be a priority. The reality is that business and labor organizations do not have the internal capacity to act as institutional partners. Yet, we pursue policy that says they must be. It is like building a house by starting with the roof.

> ***"Being on the right track is not enough; you have to move relatively fast not to be run over."***

Government, business, and labor can help each other in building a real foundation for partnership. Government should invest in building the capacity of business and labor organizations to be actively involved in training issues. The private sector partners could then market, organize, recruit, and train their members for effective participation in a training system. Business and Labor should be encouraged to support private sector financing of training. Since 1983, California business has taxed itself to create a fund that generates $100 million annually to retrain and upgrade workers. It will take bold steps on everyone's part to build effective institutional partnerships.

Oregon can have a 21st century world class workforce. It will require vision and commitment to get there. Employers must invest in training their entire workforce. Education must invest in a system that educates students for work. Employers, educators, and workers must work together. The 1990s are Oregon's window of opportunity. The world won't wait for us. "Being on the right track is not enough; you have to move relatively fast not to be run over." Mark Twain knew what he was talking about. ☐

**Copies of this report are available prepaid from:*

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Phone: (716)546-7620

CROSLEY NAMED TO RESEARCH POST

We in the Employment Division, and especially the staff of Research and Statistics, would like to welcome and congratulate Virlena Crosley for her recent appointment as the Assistant Administrator for Research and Statistics for the Oregon Employment Division.

Ms. Crosley, a 23-year veteran of state government, replaces Don Steward who retired from the top research post this summer.

Ms. Crosley most recently served as chief budget officer for the Oregon Department of Transportation. She also has worked as Legislation and Rules Supervisor for the Motor Vehicles Division and as Manager of Policy Analysis for the Oregon Department of Revenue.

The Assistant Administrator for Research and Statistics is in charge of approximately 45 employees, including 8 regional economists located around the state. The research unit is responsible for a wide range of labor market information (including *Oregon Labor Trends* and other LMI publications), data services, demographics, current statistics, and occupational research.

LMI LABOR MARKET INFORMATION

STATE OF OREGON

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OREGON LABOR TRENDS

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INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)		
Oct.	1990	6.0
Sept.	1990	5.9
Oct.	1989	5.7
United States (Seas. Adj.)		
Oct.	1990	5.7
Sept.	1990	5.7
Oct.	1989	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)		
Oct.	1990	133.2
Sept.	1990	133.1
Aug.	1990	133.7
July	1990	133.0
June	1990	132.7

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon		
Sept.	1990	$11.12
Aug.	1990	$10.97
Sept.	1989	$10.82

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon		
Sept.	1990	40.5
Aug.	1990	39.5
Sept.	1989	39.4

CONSUMER PRICE INDEX (CPI)
1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver	
Jan-June 1990	124.9
Yearly change	4.7%
Annual Average 1989	120.4
Yearly change	5.0%
United States	
Oct. 1990	133.5
Yearly change	6.3%
Annual Average 1989	124.0
Yearly change	4.8%

Portland Hotline 326-4132

"ARE WE THERE YET?... HOW MUCH LONGER?"

Linda Burgin

Those of you who are parents may recognize these questions, which are usually asked by small children on long car trips. The best solution is to get them to go to sleep. (Teenagers are great at this.) Time flies when they're asleep, and before they know it, they're there.

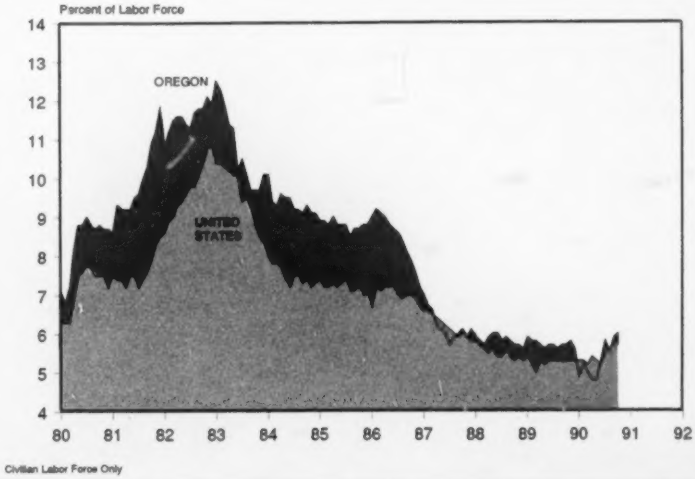
Well, economists and analysts wouldn't want to go to sleep; they might miss something! And I'm fairly certain that most of us don't ever want to get 'there,' but we will continue to ask the questions anyway. The destination may be unavoidable.

"Are we there yet?" The answer for this month is that where we are depends on which industry you look at. The Oregon timber industry is probably 'there' now, as timber is fast becoming one of the weakest parts of the state's economy.

In the Oregon lumber industry, logging, sawmills, and veneer and plywood each lost 500 jobs in October. In all three cases, some declines were expected at this time of year, but the October losses went beyond normal seasonal trends. Logging (with 11,500 employed) and veneer and plywood (with 13,300 employed) have set historic lows for this time of year. Sawmill employment (20,300) is at the lowest October level since 1982.

According to the November 16, 1990 issue of the Western Wood Products Association's *Barometer*, 1990 year-to-date lumber production in the Coast Region (areas west of the Cascade Range in Washington and Oregon) is down 5.4%, new orders are down 5.3%, and shipments are down 5.6%. In the Inland Region (area of the U.S. which is east from the Cascade and California Ranges to the Great Plains, and from Canada to Mexico) lumber production is down 5.9%, new orders are down 5.1%, and shipments are down 4.7%.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	OCT.1/ 1990	SEP. 2/ 1990	OCT. 1989	CHANGE FROM SEP. 1990	OCT. 1989
TOTAL 5/	1,269,300	1,264,700	1,237,400	4,600	31,900
WAGE & SALARY EMPLOYMENT INDEX 6/	133.2	133.1	129.9	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	274,700	281,500	273,100	- 6,800	1,600
SERVICE PRODUCING INDUSTRIES 8/	994,600	983,200	964,300	11,400	30,300
TOTAL MANUFACTURING	218,900	225,900	222,400	- 7,000	- 3,500
DURABLE GOODS	155,900	159,400	158,900	- 3,500	- 3,000
LUMBER & WOOD PRODUCTS	62,300	64,200	67,900	- 1,900	- 5,600
LOGGING	11,500	12,000	12,700	- 500	- 1,200
SAWMILLS	20,300	20,800	22,900	- 500	- 2,600
VENEER & PLYWOOD	13,300	13,800	15,800	- 500	- 2,500
MILLWORK & STRUCTURAL WOOD	10,700	11,000	10,400	- 300	300
MOBILE HOMES	2,100	2,200	1,800	- 100	300
OTHER WOOD PRODUCTS	4,400	4,400	4,300	0	100
FURNITURE AND FIXTURES	3,200	3,200	3,100	0	100
STONE, CLAY, GLASS & CONCRETE	4,600	4,600	4,400	0	200
PRIMARY METALS	11,700	11,900	11,300	- 200	400
BLAST FURNACES, IRON & STEEL 9/	6,100	6,100	5,800	0	300
NONFERROUS METALS 9/	5,600	5,800	5,500	- 200	100
FABRICATED METALS	11,900	12,000	12,100	- 100	- 200
FABRICATED STRUCTURAL METALS	5,200	5,200	5,000	0	200
OTHER FABRICATED METALS	6,700	6,800	7,100	- 100	- 400
MACHINERY	17,000	17,600	17,700	- 600	- 700
OFFICE & COMPUTING MACHINES	4,700	4,700	4,800	0	- 100
OTHER MACHINERY	12,300	12,900	12,900	- 600	- 600
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,400	17,500	16,100	- 100	1,300
TRANSPORTATION EQUIPMENT	12,900	13,500	10,000	- 600	2,900
INSTRUMENTS & RELATED PRODUCTS 9/	11,100	11,100	12,300	0	- 1,200
MISCELLANEOUS MANUFACTURING	3,800	3,800	4,000	0	- 200
NONDURABLE GOODS	63,000	66,500	63,500	- 3,500	- 500
FOOD & KINDRED PRODUCTS	27,300	30,600	28,200	- 3,300	- 900
CANNING & PRESERVING	15,400	19,300	16,800	- 3,900	- 1,400
OTHER FOOD PRODUCTS	11,900	11,300	11,400	600	500
TEXTILE MILL PRODUCTS	1,700	1,700	1,800	0	- 100
APPAREL	2,600	2,600	2,700	0	- 100
PAPER & ALLIED PRODUCTS	9,100	9,200	9,000	- 100	100
PRINTING & PUBLISHING	14,300	14,200	13,700	100	600
CHEMICALS & ALLIED PRODUCTS	2,300	2,400	2,200	- 100	100
PETROLEUM & ASPHALT PRODUCTS	500	500	500	0	0
RUBBER & PLASTIC PRODUCTS	4,700	4,800	4,900	- 100	- 200
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,050,400	1,038,800	1,015,000	11,600	35,400
MINING & QUARRYING	1,500	1,600	1,500	- 100	0
CONSTRUCTION	54,300	54,000	49,200	300	5,100
BUILDING CONSTRUCTION	12,400	12,900	12,300	- 500	100
HEAVY CONSTRUCTION	7,400	7,200	6,700	200	700
SPECIAL TRADE CONTRACTORS	34,500	33,900	30,200	600	4,300
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	64,800	64,400	63,900	400	900
TRANSPORTATION	43,500	43,200	42,700	300	800
RAILROAD	3,800	3,800	3,900	0	- 100
TRUCKING & WAREHOUSING	24,900	24,800	24,600	100	300
OTHER TRANSPORTATION	14,800	14,600	14,200	200	600
COMMUNICATIONS	12,400	12,300	12,500	100	- 100
UTILITIES	8,900	8,900	8,700	0	200
TRADE	326,900	329,500	319,200	- 2,600	7,700
WHOLESALE TRADE	83,800	84,200	80,800	- 400	3,000
DURABLE GOODS	48,100	48,000	46,500	100	1,600
MACHINERY, EQUIPMENT, & SUPPLIES	11,300	11,300	10,900	0	400
OTHER DURABLE GOODS	36,800	36,700	35,600	100	1,200
NONDURABLE GOODS	35,700	36,200	34,300	- 500	1,400
GROCERIES & RELATED PRODUCTS	14,200	14,700	14,000	- 500	200
OTHER NONDURABLE GOODS	21,500	21,500	20,300	0	1,200
RETAIL TRADE	243,100	245,300	238,400	- 2,200	4,700
BUILDING MATERIALS & GARDEN SUPPLIES	9,400	9,700	8,500	- 300	900
GENERAL MERCHANDISE	30,300	30,500	31,200	- 200	- 900
FOOD STORES	42,200	43,100	40,600	- 900	1,600
AUTO DEALERS & SERVICE STATIONS	29,400	29,600	29,300	- 200	100
APPAREL & ACCESSORY STORES	10,100	10,000	9,800	100	300
FURNITURE & HOME FURNISHINGS	10,000	9,700	9,400	300	600
EATING & DRINKING PLACES	87,400	89,400	84,400	- 2,000	3,000
MISCELLANEOUS RETAIL	24,300	23,300	25,200	1,000	- 900
FINANCE, INSURANCE, & REAL ESTATE	77,500	78,000	75,700	- 500	1,800
FINANCE	28,100	28,300	27,900	- 200	200
INSURANCE	22,300	22,300	22,000	0	300
REAL ESTATE	27,100	27,400	25,800	- 300	1,300
SERVICES	296,800	296,800	284,400	0	12,400
HOTELS & OTHER LODGING PLACES	19,900	20,600	18,700	- 700	1,200
PERSONAL SERVICES	11,100	11,100	10,700	0	400
BUSINESS SERVICES	48,200	49,200	47,900	- 1,000	300
AUTOMOTIVE & MISC. REPAIR SERVICES	15,900	15,600	15,400	300	500
MOTION PICTURES & AMUSEMENTS	13,400	14,100	13,700	- 700	- 300
HEALTH SERVICES	88,100	88,100	83,200	0	4,900
LEGAL SERVICES	8,900	9,000	8,600	- 100	300
PRIVATE EDUCATION	16,700	14,900	15,200	1,800	1,500
SOCIAL SERVICES	26,500	25,900	25,000	600	1,500
ENGINEERING & MANAGEMENT SERVICES	20,500	20,200	19,100	300	1,400
OTHER SERVICES & NEC	27,600	28,100	26,900	- 500	700
GOVERNMENT	228,600	214,500	221,100	14,100	7,500
FEDERAL GOVERNMENT	33,100	34,500	32,900	- 1,400	200
STATE GOVERNMENT	62,400	57,400	59,900	5,000	2,500
EDUCATION	26,500	20,900	25,300	5,600	1,200
OTHER STATE	35,900	36,500	34,600	- 600	1,300
LOCAL GOVERNMENT	133,100	122,600	128,300	10,500	4,800
EDUCATION	84,900	73,600	81,600	11,300	3,300
OTHER LOCAL	48,200	49,000	46,700	- 800	1,500
LABOR-MANAGEMENT DISPUTES 10/	300	300	2,000	0	- 1,700

OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	OCT. 1/ 1990	SEP. 2/ 1990	OCT. 1989	CHANGE FROM SEP. 1990	CHANGE FROM OCT. 1989
CIVILIAN LABOR FORCE 3/	1,520,800	1,514,800	1,464,300	6,000	56,500
UNEMPLOYMENT	81,500	80,600	73,100	900	8,400
PERCENT OF LABOR FORCE	5.4	5.3	5.0	XXX	XXX
SEASONALLY ADJUSTED PERCENT	6.0	5.9	5.7	XXX	XXX
TOTAL EMPLOYMENT 4/	1,439,300	1,434,200	1,391,200	5,100	48,100

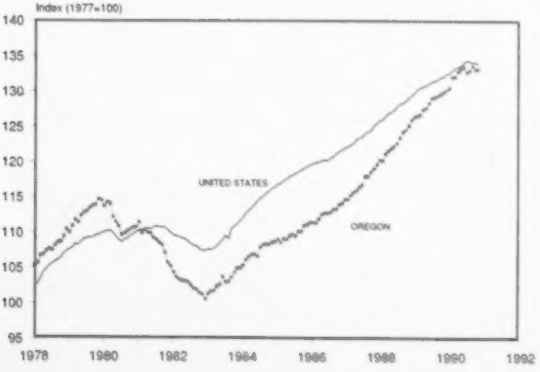
1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

Driven by significant increases in the price of Northwest timber, the cost of manufacturing lumber in Oregon and Washington when compared with other regions of the country has risen to its highest level ever, according to *The Business Journal*. Data compiled from public and private sources show on average it now costs $127 more to make 1,000 board feet of lumber in the Pacific Northwest than the South, and $101 more than the Rocky Mountain Region. On average, the cost of producing 1,000 board feet of lumber in Oregon and Washington now totals $309, according to a cost analysis compiled from data provided by Timber Data, Resource Information Systems of Boston, and the U.S. Forest Service. In the Rocky Mountains, the cost of producing 1,000 board feet of timber is $208; in the South, the cost is $182.

Northwest mills are at a disadvantage as lumber buyers nationwide turn to Southern low-cost suppliers, who rely heavily on private timber supplies. Some analysts project that Southern sawmills will grab up to 28% of the U.S. lumber market by 1992, while the Northwest share may drop from about 20% today to as low as 15% by 1992.

In spite of the problems in the timber industry, Oregon's economy recorded little change in October. The state's seasonally adjusted unemployment rate went up slightly from 5.9 in September to 6.0 in October. Given the imprecision of the unemployment rate, this is not a significant change. A year ago, the unemployment rate was 5.7%. The current U.S. unemployment rate remained constant at 5.7%.

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



In last month's *Oregon Labor Trends* it was suggested that we keep an eye on the construction industry as the main player in determining when and if we really enter a recession. Fortunately, the brightest spot in October was the construction industry.

Based on several years of employment trends, construction usually loses 300 jobs at this time of year, mostly due to weather conditions and typical slowing of contracts as winter approaches. This year, the industry actually added 300 jobs. While the weather certainly cooperated, construction activity is holding up at a high enough level to keep 54,300 workers busy. General contractors, both residential and commercial, showed some weakness as 500 were laid off, but the current level of 12,400 still represents the best October since 1979. Heavy construction and special trade contractors both added workers.

Nationally, the Consumer Price Index for All Urban Consumers (CPI-U) rose 0.6% before seasonal adjustment in October to a level of 133.5 (1982-84 = 100), according to the Bureau of Labor Statistics. For the 12-month period ended in October, the CPI-U increased 6.3%. For the third consecutive month, advances in petroleum-based energy prices accounted for about one-half of the rise in the overall CPI-U.

During the first 10 months of 1990, the CPI-U advanced at a 6.7% seasonally adjusted annual rate. This compares with a 4.7% rate during the corresponding period last year. The difference between these rates is largely attributable to the price movements in the 3-month period from August through October. The CPI-U increased at an 8.9% rate during this 3-month period in 1990, principally due to the acceleration in energy prices. Transportation costs rose 2.1% in October with about four-fifths of the increase due to the continued advance for motor fuels. The medical care component advanced 0.8% in October to a level 9.4% above a year ago. In 1989, energy prices declined in the August-to-October period and the CPI-U advanced at a much lower rate, 2.9%.

The WEFA Group, an East Coast economic consulting firm, forecasts a mild two-quarter national recession beginning in the fourth quarter of 1990. Real GNP is predicted to drop at annual rates of 1.1% and 0.6% in these quarters. Real disposable income will drop at an annual rate of 4.3% in the fourth quarter of 1990 as the oil price shock raises inflation substantially above income growth.

. . .the cost of manufacturing lumber in Oregon and Washington when compared with other regions of the country has risen to its highest level ever. . .

While the U.S. forecast calls for a brief, mild recession, there are many areas of the country that are performing well. The growth leaders in the country continue to be the southern parts of the east and west coasts--the Pacific and South Atlantic regions. The traditional attraction of the sun continues to draw businesses and workers to these areas.

"How much longer?" The fact that the Oregon economy is performing better than the U.S. at the present time is a positive thing, but it may be just a matter of time before we feel the effects of a national recession.

Economist John Mitchell of U.S. Bancorp sees Oregon as continuing to enjoy what he calls the North Florida Phenomenon. North Florida has been a place where many East Coast retirees move. Because of Oregon's natural beauty, it should continue to attract retirees who bring with them incomes that are independent of the business cycle, and they should continue to drive the Northwest service sector. It hasn't happened in Oregon yet. Paul Warner, State Economist, Oregon Executive Department, says that only a small percentage of Oregon migrants are older citizens. Maybe the state should invest money in attracting these retirees as part of the Economic Development Program. Retirement incomes that are independent of the business cycle would help keep the Oregon economy stable in times of recession.

Mitchell predicts that even when the recession comes to Oregon, it probably won't be as bad as the last one. The Oregon economy is more diversified now. The markets for our products as well as capital are becoming more global. There is definitely more interest in boosting productivity. There is a strength in business capital formation which boosts investment in capital expenditures.

Oregonians found news of the national slowdown of interest in October, as we carefully monitored indicators in the economic theater of the U.S. Will a recession affect us? When? For how long? We can only estimate, predict, hope. At this time we have good reasons for an optimistic Oregon outlook. Watch and wait...and keep on working. ☐

THE POOR: LET US NOW PRAISE THE VICTIMS

Duane Ackerson

In an article entitled "Reasons for Not Working: Poor and Nonpoor Householders" (*Monthly Labor Review*; August 1989), Mark S. Littman discusses data based on poverty figures from the Bureau of the Census and labor force data from the Current Population Survey (CPS). This data compares the work experience of heads of household, or "householders," whether poor or nonpoor, between the years 1959 and 1986. Littman states:

"...about 50% of the poor worked at all in 1986, down from 68% in 1959...the increase in the proportion of poor families headed by women is the largest single factor explaining the drop in the workforce participation of poor householders.

"Poor families maintained by women have not shared in the increased labor force participation of women that has characterized the past quarter of a century...For nonpoor women maintaining families with no spouse present, the proportion working increased from 64% in 1959 to 75% in 1986; for poor women, the corresponding proportions were 43% and 40%."

In addition to discussing the "feminization" of poverty, Littman also disputes the idea that having work in itself is a cure for poverty. If this were the case, he states, the poverty rate should have bottomed out in the first of these years, when 75% of poor male householders were working. However, 1959 witnessed the highest poverty rate of any recorded year, underscoring that "working sufficient hours and at sufficient wage levels" is important if we are to really eliminate poverty.

In 1983, at the end of the worst recession since the 1930s, the poverty rate for the U.S. reached its most recent high at 15.2%, or 35.3 million people. During the next six years, in the course of our longest peacetime economic recovery, this rate declined to 12.8%, or 31.5 million people. However, the 1989 percentage remains higher than for any time during the 1970s. The conclusion is obvious: we are far from eliminating poverty.

Education is often cited as one way of escaping the trap of poverty. However, our present demographics point to serious problems in funding education, especially for the children of the less advantaged who need it most to climb out of the pit. Witness a quote from the *Vocational Training News* (Vol. 21, No. 3; Jan. 18, 1990): "While poverty is increasingly concentrated among young people with children, richer taxpayers live in separate neighborhoods and have few children or none, and perhaps less enthusiasm about supporting schools." The same article cautions us not to expect a "peace dividend" due to military cuts. Federal spending as a percent of total school revenues decreased over the last decade from 11% to about 6%. Deficit reduction pressures, and the resultant Gramm-Rudman-Hollings deficit reduction law, will make funding increases for education hard to achieve. States will probably need to take more initiative themselves, and that's where the demographic problems mentioned earlier and the property tax revolt, which shows signs of gearing up again, come in to complicate matters.

. . .poverty is increasingly concentrated among young people with children. . .

Work is not a panacea for poverty, either. Nor does ambition provide a cure-all for the same condition. As Littman notes:

"...some analysts find it hard to believe that one can look for employment all year and find none. It is interesting to note, however, that the proportion of male householders who indicated an inability to find work as the reason for not working has seemingly fluctuated with the business cycle, increasing to 23% in 1983 when the poverty cycle was at its recent peak, then decreasing to its present level of 13%...The fact that the proportional size of this group fluctuated with the business cycle would seem to be sufficient evidence that these men are indeed looking for work."

In addition to cyclical unemployment's impact on poverty, structural unemployment no doubt has made itself felt, too. U.S. and state-level Workforce 2000 studies indicate there may be a shortage of workers in the future to fill entry-level jobs. Though this might seem like good news, the catch is that the demand for workers with few skills and minimal education will also be decreasing. Even if an adequately skilled person gets one of these entry-level positions, he may still find himself below the poverty level. As automation continues to replace some of the more routine jobs, many of these workers will find themselves with fewer options for other low skill jobs.

Besides these factors, the growth in the "contingent labor force" of temporary and part-time employees has also been a mixed blessing, both for the poor and other workers. The choice to join this work force is not always elective. Gary Sincick, in an article on "The Contingent Labor Force" in *Oregon Workforce At Risk*, states:

"...the portion of the full-time labor force working part-time involuntarily in Oregon rose from 4.6% in 1979 to 10.0% in 1982. The rate has dropped steadily but slowly over the last six years, underlining the reluctance of employers to return part-time crews to full-time status, even when economic conditions improve."

The increase in part-time and temporary work (especially where the person would rather have full-time and/or permanent employment) and the increased contracting out of work to temporary services companies are having a major effect on the way people work.

In studying this effect, more needs to be learned about the hours and earnings of the contingent labor force. Studies need to be made of earnings for temporary vis-a-vis permanent workers. An article by Harry B. Williams in the March 1989 *Monthly Labor Review*, "What Temporary Workers Earn: Findings from the new BLS Survey," reports on an initial study conducted by the Bureau of Labor Statistics which, however, makes no attempt at a comparison between earnings of the temporary and permanent labor forces. In September 1987, BLS made this first survey involving over 600,000 workers in nearly 100 job classifications working in the temporary help supply industry. This survey was of a large number of temporary workers and a relatively small group of permanent full-time staff who manage and administer the temporary agencies. The 1987 study showed pay rates that ranged from the then federal minimum wage of $3.35 through $20 an hour and above. The average wage for the temporary workforce was $6.42 an hour. In contrast, the BLS publication *Supplement to Employment and Earnings* (U.S. Dept. of Labor; August 1988) shows average hourly earnings in September 1987 for the total private sector of $9.05 an hour. This difference of $2.63 an hour may suggest that the temporary help industry is skewed toward less-skilled, lower-paid occupations. However, it could also suggest that firms contracting for temporary workers realize savings on wages. Obviously, more investigation is needed.

. . .the wealthiest one half of one percent of us. . .accounted for 35.1% of net personal worth of all households in 1983.

At any rate, the lesser fringe benefits for workers employed as part of this contracting out process are a critical consideration, both for employers and the rest of us. Companies and temporary agencies may realize savings as a result, but we need to consider what this savings costs the rest of us, particularly its impact on the already precarious state of our country's health care. Though firms in the temporary help industry provide varying amounts of fringe benefits, including vacation pay and medical insurance, there is a point at which the advantages to businesses of going this route vanish as the costs involved in providing this labor resource increase. Pressure for guaranteed national health care for all Americans is bound to mount if more and more people begin to fall outside traditional health care coverage.

The nature of employment itself is changing, and not just in terms of earnings, the number of hours worked, and the amount of job security and fringe benefits they receive. Sincick points out:

"The number of people trying to balance work and family life is increasing. The traditional model of the family in which only the husband is employed and the wife stays home with the children is fading fast. According to the Bureau of the Census, these traditional families, as a portion of all married couples nationally, have declined from 43.2% in 1976 to 27.5% in 1987."

Multiple job holders and dual wage earner families are becoming commonplace, but this condition does not necessarily translate into additional discretionary income. Many of the multiple job holders and dual wage earner families are just attempting to keep up with the increased cost of living. We need to ask ourselves whether this situation is really increasing the quality of work or life for those so employed, their spouses, or their families.

If one of the workers in this situation is suddenly out of a job, the family may well fall below the poverty level. A person out of a job but with some equity in a home has a resource to draw on in getting a family through this dry stretch. But, for the country as a whole, virtually every economic survey indicates that the gap between the rich and the poor is widening. This gap is particularly evident in the area of home ownership. In recent years, the idea of owning a home has become the "impossible dream," not just for low income people, but for many in the middle class as well, including dual wage earners.

If a person who has lost a job does not own a home -- or even if, rather than renting, she is still paying that home off, and currently has little equity (homes are not appreciating the way they did in the seventies) -- she, and her family, are at risk of joining the homeless.

Furthermore, the "safety net" of unemployment insurance (UI) has become ever smaller in recent years. In 1975, for example, the percentage of the nation's unemployed who received UI benefits peaked at 75.5%. In both 1987 and 1988, this percentage was only 31.5%, the lowest level in at least 34 years! Oregon's percentage in 1988 was only a little higher at 39.4%.

Thoreau wrote in *Walden* that owning property was basically a nuisance, that he'd seen many an unfortunate man plodding down the road with the weight of an entire farm on his back. He added that he'd rather live in a crate and have his peace of mind. Today, in this country, too many people already unfortunately possess this sort of peace of mind, the freedom, to quote Kris Kristofferson, that's "just another word for nothing left to lose."

To return to truisms: answers mean little if we're not asking the right questions. Increased "prosperity" or "productivity" is not necessarily a quick fix for poverty. Nor is becoming more competitive, balancing the budget, reducing the deficit, or improving the balance of trade. While these measures may help to expand the overall economy, the distribution of income has become increasingly unequal. A 1983 government survey of the distribution of wealth in the U.S. since the early sixties showed that the wealthiest 3.4 million households in the country, those representing the top 10%, controlled five times as much wealth as the remaining 75.5 million. Even more disturbing is the finding that the wealthiest one half of one percent of us -- the "super rich" -- accounted for $3.7 trillion, or 35.1%, of the $10.5 trillion in net personal worth of all households in 1983 (source: David M. Gordon in *The Los Angeles Times*).

A recent article entitled "American Living Standards -- Running to Stand Still" published in *The Economist* (Nov. 10, 1990), a British magazine, states:

"...the stagnation or even decline in middle-class living standards since 1973 is a reality affecting most Americans, not a fiction of the statisticians.

"...thanks to the redistribution of income, stagnation has affected the upper quintile -- the top 20% -- of families least...The House Ways and Means Committee reckons that 'adjusted' family income for this top quintile rose by 25% in 1973-88, a full ten points more than for those in the middle. Tax changes, too, helped them. The average federal tax bite on the top quintile fell in 1980-90 by 5 1/2% (and on the top 1% of incomes by nearly 15%).

"Meanwhile, adjusted family income of the bottom quintile fell by 9% in 1973-88, and their federal tax bite rose by 16% in 1980-90. These people were not just relatively poorer than before, but absolutely so."

". . .the stagnation or even decline in middle-class living standards since 1973 is a reality affecting most Americans, not a fiction of the statisticians."

The solution may lie both in the workplace and in what the worker is being offered as his alternative, his piece of the American dream, when he leaves that workplace, whether to enjoy his leisure time or to look for another job. Thoreau to the contrary, "God bless our mortgaged home" is still a more enticing prospect than "God bless our packing crate." However, many Americans are not just insecure where housing is concerned, either because they lack it, or as renters, may be one rent hike away from the street. Even if they have adequate jobs and housing, indications seem to be that many more people may feel insecure now than in the several decades of prosperity following WWII.

The reasons for this insecurity are numerous, but two economic ones stand out. First is the decline in living standards caused by a fall in real income. Evidence of this problem is found in the increase in multi-income families and multiple job holders, the growing lack of affordable housing, the widening income gap between the rich and the poor, and the increase in the number of homeless. Second is the decline in long-term job security evidenced by growth in the contingent labor force, declining manufacturing employment vs. increasing services employment, declining unionism, and heightened international competition.

The roots of these insecurities need to be examined. The papers in almost any given week are filled with stories about the plight of the homeless. More and more people, whether young, middle-aged, or old, whether the jobless, the employed member of the contingent labor force, or the migrant laborer, seem to be living in poverty or near-poverty conditions. There needs to be, if not a New Deal, at least some sort of national planning process that sets policies more extensive than the lowering and raising of the prime rate or the priming of the pump with an occasional tax cut.

In their famous collaboration at the time of the Great Depression, *Let Us Now Praise Famous Men*, author James Agee and photographer Walker Evans painted an indelible picture in the stark black and white of words and photographs of the residents of the Dust Bowl during that time of national agony. Some 30 years later, another writer picked a title for his book nearly as memorable as the Agee phrase: *Blaming The Victim*. These two titles say something about a shift in our consciousness over three decades. Agee asks us, with the utmost irony, to praise the famous while his sympathies are really with the obscure and suffering. The later writer, equally sympathetic to the plight of the poor, accuses society of holding the victim responsible for his own disadvantaged condition. And, 20 years after this second book, a society that tolerates a growing number of the homeless, one in which the percentage of the population living in poverty has remained higher in the past decade (the longest peacetime economic expansion in history began in 1983) than in the preceding one, is ripe for a reexamination of attitudes toward, and the situation of, the poor. Perhaps it's time we realized that, for many of us, poverty is drawing closer. ☐

". . .God bless our mortgaged home" is still a more enticing prospect than "God bless our packing crate."

LMI DIRECTORY NOW AVAILABLE

What are the major issues and demographic/economic trends likely to impact Oregon in the 1990s? Where can you find the average wage of an occupation in Oregon? What educational information is available to help improve your career choices? What is the economic and employment outlook for the state of Oregon and its regional areas? Where to find this information and much more is available at no charge in the *1990 Labor Market Information (LMI) Directory*.

The LMI Directory lists various publications available containing many types of state and local information. From population and labor trends to wage information and youth reports, the Directory can tell you where to write and/or call to get what you want. The LMI Directory also tells you who to contact for special research and information services that may not be currently available.

Don't miss this valuable information guide. Request your copy by calling Research and Statistics at (503) 378-8657 or by writing to:

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Research and Statistics - Rm 207
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UPGRADING WORKPLACE SKILLS: WHOSE JOB?

Nancy Hargis

Nearly every week we read or hear about a new study which decries the skills of American workers, faults the educational system and seeks solutions to problems of literacy, productivity, and changing demographic trends. Just what are the problems of the American workforce and workplace? Whose job is it to see that employers have access to workers with the needed basic, technical, and theoretical skills?

The problem is generally stated in terms of the workforce of the 1990s lacking these important skills. Demographic trends are cited, with fewer young people and the majority of new labor market entrants being minorities, women, and immigrants. School dropout statistics and declining test scores point to a pool of young people unprepared for a "high tech" workplace. Creation of large numbers of new jobs in the trade and service sectors and wage roll-backs in manufacturing are blamed for income losses and a decline in our standard of living. Businesses are accused of designing jobs with lower skill requirements so that wage decreases can be justified.

> ***Research indicates, however, that formal training investments. . .tend to be made on those workers with the highest levels of skill and education.***

Worker skills can also be examined in the context of investment by employers in training and in the capacity of the educational system to graduate young people ready to become productive workers. These pictures, too, produce complex images. It is estimated that employers spend in excess of $30 billion each year on formal training for their personnel and over $180 billion on informal training. Research indicates, however, that formal training investments, including tuition payment or reimbursement, tend to be made on those workers with the highest levels of skill and education.

A recent survey of 645 businesses by Towers Perrin and the Hudson Institute revealed that while the majority

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Sep.[2] 1990	Aug.[3] 1990	Sep. 1989	Sep.[2] 1990	Aug.[3] 1990	Sep. 1989	Sep.[2] 1990	Aug.[3] 1990	Sep. 1989
TOTAL MANUFACTURING[4]	$450.36	$433.32	$426.31	40.5	39.5	39.4	$11.12	$10.97	$10.82
Durable Goods	464.71	449.01	441.54	40.8	39.7	39.6	11.39	11.31	11.15
Lumber & Wood Products	456.34	432.18	433.01	40.6	38.9	38.8	11.24	11.11	11.16
Logging & Sawmills	489.24	460.46	467.64	40.4	38.5	39.1	12.11	11.96	11.96
Veneer & Plywood	444.99	411.10	412.94	40.9	38.1	38.2	10.88	10.79	10.81
Millwork & Structural	387.87	389.09	365.50	40.7	40.7	38.8	9.53	9.56	9.42
Mobile Homes	366.72	383.66	333.20	38.4	40.3	36.1	9.55	9.52	9.23
Other Wood Products	452.69	412.23	412.34	41.8	39.0	38.9	10.83	10.57	10.60
Furniture & Fixtures	365.91	352.84	381.57	37.3	36.3	39.5	9.81	9.72	9.66
Primary Metals	514.70	482.35	507.83	40.4	38.1	41.9	12.74	12.66	12.12
Fabricated Metals	421.60	413.95	407.15	40.0	39.2	39.8	10.54	10.56	10.23
Machinery (Ex Electrical)	442.33	431.16	445.76	39.6	38.6	39.8	11.17	11.17	11.20
Nondurable Goods	416.31	397.02	390.43	39.8	39.0	39.2	10.46	10.18	9.96
Food & Kindred Products	333.38	316.86	322.14	39.5	38.5	39.0	8.44	8.23	8.26
Canning & Preserving	297.20	272.08	280.41	40.0	38.0	39.0	7.43	7.16	7.19
Other Food Products	422.40	434.22	424.32	38.4	39.8	39.0	11.00	10.91	10.88
Textile Mill Products	272.65	255.50	253.11	37.4	36.5	35.8	7.29	7.00	7.07
Apparel	268.99	267.78	266.93	38.1	38.2	39.9	7.06	7.01	6.69
Paper & Allied Products	663.64	623.78	628.58	41.4	40.4	41.6	16.03	15.44	15.11
Printing & Publishing	506.61	503.61	438.08	39.0	39.1	37.0	12.99	12.88	11.84
Construction[4]	621.34	586.74	584.83	39.5	38.5	38.4	15.73	15.24	15.23
Communications & Utilities[5]	603.17	566.18	541.78	41.8	39.9	41.2	14.43	14.19	13.15
Trade[5]	344.16	313.58	324.68	36.0	33.9	34.8	9.56	9.25	9.33
Wholesale Trade	454.33	421.04	430.90	39.2	38.0	38.2	11.59	11.08	11.28
Retail Trade	286.06	259.99	269.28	34.3	31.9	33.0	8.34	8.15	8.16
Banking & Insurance[5]	391.24	362.85	337.03	39.4	36.8	37.2	9.93	9.86	9.06
State & Local Government	444.03	445.25	421.05						

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[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.*

reported difficulty recruiting skilled workers, they were slow to begin new job training programs, especially for entry-level workers. In a similar vein, many reported concern about changing workforce demographics, but few offered training, mentorship, or support programs to attract and retain minority, female, or immigrant workers.

A poll conducted by the Roper Organization for the U.S. Chamber of Commerce concluded that a vast majority of Americans believes schools fail to train students for current and future jobs. Increasing the involvement of the business community in the educational enterprise was seen by many as one important solution to this problem. "It is interesting to note that the American public considers the business community the education safety net for the nation," said Edward Donley, chair of the Chamber's Center for Workforce Preparation. "Business clearly has been given a mandate to lead the way to better public schools and to help education in general," Donley said.

Another view of the worker skill question was described in a July 1990 issue of the *Washington Post*, which highlighted a survey of 250 mid-sized manufacturing companies. "More than two-thirds of the companies studied said they had a productivity problem, but more than half of those considered the problem a minor one because it was caused by people, and people could be replaced by machines," said staff writer Frank Swoboda. Many stories have been told about schools, companies, or agencies purchasing new computers and software that remained in the shipping crates because management was unwilling to invest the time and money to train staff to properly use them. Fortunately, many businesses are realizing that even when they purchase sophisticated new equipment, the "people factor" is key to increased productivity, and proper training is an important investment.

> ***. . .many businesses are realizing that even when they purchase sophisticated new equipment, the "people factor" is key to increased productivity, and proper training is an important investment.***

Whose job should it be to train and upgrade the workforce? Government, business, education, and the public must share responsibility if it is to succeed. A wide range of strategies seems most likely to yield the desired results.

1. Federal and state tax incentives to businesses to train their employees. Under generally accepted accounting principles, employers have to treat training as an expense, not an investment. Hence, the cost of training hurts a company's short-term profitability picture and is therefore often discouraged.
2. Coordination and resources for small firms to form consortia to acquire training for their workers. Oregon's community colleges and Small Business Development Centers would play a pivotal role in this strategy.
3. Flexibility in higher education schedules and coursework that recognizes the needs of adult learners.
4. Connecting employer-gained skills and competencies to college credit.
5. More effective recruitment and support of minorities, women, immigrants, and older citizens in business, public agencies, community colleges, colleges and universities.
6. Reorganization of work which empowers employees to contribute to key corporate or agency decision-making.
7. Knowledge-based pay systems that reward multiple and diverse worker skills.

These and other creative, innovative strategies will be needed to assure Oregon and the nation of a workforce with the skills and ability to learn that the workplace demands. **Oregon Labor Trends** will continue to research and report on workplace trends and training needs as important components of a comprehensive workforce development strategy. It is clear that these will be key issues of the decade. ☐

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OREGON LABOR TRENDS

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INDICATORS

UNEMPLOYMENT RATE ①

Oregon (Seas. Adj.)		
Nov.	1990	6.0
Oct.	1990	6.0
Nov.	1989	5.8
United States (Seas. Adj.)		
Nov.	1990	5.9
Oct.	1990	5.7
Nov.	1989	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)		
Nov.	1990	133.5
Oct.	1990	133.3
Sept.	1990	133.1
Aug.	1990	133.7
July	1990	133.0

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon		
Oct.	1990	$11.20
Sept.	1990	$11.13
Oct.	1989	$10.78

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon		
Oct.	1990	39.8
Sept.	1990	40.6
Oct.	1989	40.2

CONSUMER PRICE INDEX (CPI)
1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver	
Jan.-June 1990	124.9
Yearly change	4.7%
Annual Average 1989	120.4
Yearly change	5.0%
United States	
Nov. 1990	133.8
Yearly change	6.3%
Annual Average 1989	124.0
Yearly change	4.8%

Portland Hotline 326-4132

OREGON'S ECONOMY— "KINDER AND GENTLER"

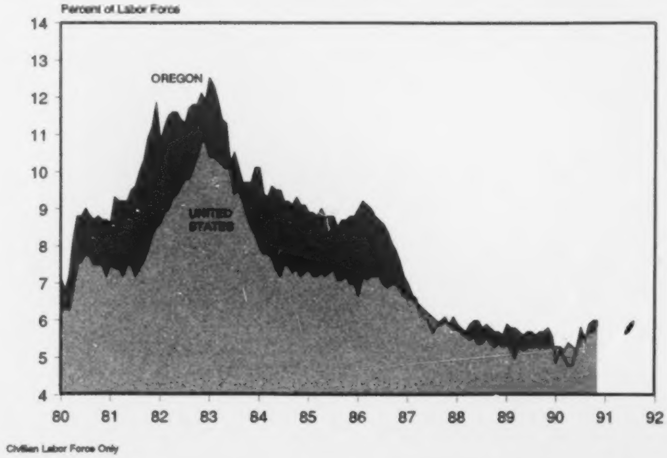
Jeff Hannum

Oregon's economy continued to defy the "winds of recession" in November as the seasonally adjusted unemployment rate remained at October's 6.0% while nonfarm payroll employment managed to eke out a 1,900 gain after adjusting for normal seasonal trends. As a result, the state's wage and salary employment index rose by two-tenths to 133.5, just shy of its all-time high of 133.7 in August. In addition, October's employment index was revised upward by one-tenth of a point. Normally, this amount of improvement wouldn't be much to crow about, but these are not normal times.

Recent economic reports clearly indicate that the national economy is in a "meaningful downturn" (this is Federal Reserve Chairman Alan Greenspan's recent euphemism for what economists used to call "recession"). Although the U.S. economy was languishing even before Iraq's invasion of Kuwait on August 2, the volatile and uncertain situation in the Persian Gulf now appears to be taking a heavy toll. Soaring oil prices reignited inflation fears, boosted interest rates, drained purchasing power, and perhaps most importantly, sent consumer and business confidence plummeting. For example, the University of Michigan's consumer confidence index fell more sharply between July and October than in any three-month period in at least 40 years! Given the importance of consumer spending (it accounts for two-thirds of the nation's economy) and retail sales (about half of consumer spending), this spells bad news.

In the past couple of months, the nation's economic slide has accelerated. As a result, the Federal Reserve has finally shifted its focus from fighting inflation, which now seems to be largely confined to the energy-related sectors, to fighting recession. Unfortunately, the Fed's policy actions, which include raising bank reserves and lowering certain interest rates in order to encourage bank lending, will take perhaps six months to a year to really impact the economy. In the meantime, we can expect more bad economic news.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



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OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK)

INDUSTRY	NOV.1/ 1990	OCT.2/ 1990	NOV. 1989	CHANGE FROM OCT. 1990	CHANGE FROM NOV. 1989
TOTAL 5/	1,266,400	1,269,800	1,235,200	- 3,400	31,200
WAGE & SALARY EMPLOYMENT INDEX 6/	133.5	133.3	130.2	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	265,000	274,100	266,000	- 9,100	- 1,000
SERVICE PRODUCING INDUSTRIES 8/	1,001,400	995,700	969,200	5,700	32,200
TOTAL MANUFACTURING	211,900	218,600	217,500	- 6,700	- 5,600
DURABLE GOODS	152,900	155,700	158,200	- 2,800	- 5,300
LUMBER & WOOD PRODUCTS	59,300	62,000	67,500	- 2,700	- 8,200
LOGGING	10,400	11,700	12,200	- 1,300	- 1,800
SAWMILLS	19,500	20,000	22,900	- 500	- 3,400
VENEER & PLYWOOD	12,500	13,000	15,800	- 500	- 3,300
MILLWORK & STRUCTURAL WOOD	10,500	10,800	10,400	- 300	100
MOBILE HOMES	2,100	2,100	1,900	0	200
OTHER WOOD PRODUCTS	4,300	4,400	4,300	- 100	0
FURNITURE AND FIXTURES	3,000	3,200	3,000	- 200	0
STONE, CLAY, GLASS & CONCRETE	4,400	4,600	4,300	- 200	100
PRIMARY METALS	11,700	11,700	11,300	0	400
BLAST FURNACES, IRON & STEEL 9/	6,100	6,100	5,800	0	300
NONFERROUS METALS 9/	5,600	5,600	5,500	0	100
FABRICATED METALS	11,700	12,000	12,000	- 300	- 300
FABRICATED STRUCTURAL METALS	5,200	5,300	5,000	- 100	200
OTHER FABRICATED METALS	6,500	6,700	7,000	- 200	- 500
MACHINERY	16,900	17,200	17,600	- 300	- 700
OFFICE & COMPUTING MACHINES	4,600	4,700	4,600	- 100	0
OTHER MACHINERY	12,300	12,500	13,000	- 200	- 700
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,500	17,300	16,300	200	1,200
TRANSPORTATION EQUIPMENT	13,600	12,900	10,000	700	3,600
INSTRUMENTS & RELATED PRODUCTS 9/	11,100	11,100	12,200	0	- 1,100
MISCELLANEOUS MANUFACTURING	3,700	3,700	4,000	0	- 300
NONDURABLE GOODS	59,000	62,900	59,300	- 3,900	- 300
FOOD & KINDRED PRODUCTS	23,300	27,100	23,900	- 3,800	- 600
CANNING & PRESERVING	11,600	15,300	12,400	- 3,700	- 800
OTHER FOOD PRODUCTS	11,700	11,800	11,500	- 100	200
TEXTILE MILL PRODUCTS	1,700	1,700	1,800	0	- 100
APPAREL	2,600	2,600	2,700	0	- 100
PAPER & ALLIED PRODUCTS	9,100	9,100	9,100	0	0
PRINTING & PUBLISHING	14,400	14,300	13,900	100	500
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,200	0	100
PETROLEUM & ASPHALT PRODUCTS	500	500	400	0	100
RUBBER & PLASTIC PRODUCTS	4,600	4,800	4,800	- 200	- 200
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,054,500	1,051,200	1,017,700	3,300	36,800
MINING & QUARRYING	1,400	1,500	1,400	- 100	0
CONSTRUCTION	51,700	54,000	47,100	- 2,300	4,600
BUILDING CONSTRUCTION	11,900	12,400	11,700	- 500	200
HEAVY CONSTRUCTION	6,200	7,300	6,100	- 1,100	100
SPECIAL TRADE CONTRACTORS	33,600	34,300	29,300	- 700	4,300
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	64,400	64,900	64,200	- 500	200
TRANSPORTATION	43,200	43,600	42,900	- 400	300
RAILROAD	3,800	3,800	3,900	0	- 100
TRUCKING & WAREHOUSING	24,500	24,900	24,900	- 400	- 400
OTHER TRANSPORTATION	14,900	14,900	14,100	0	800
COMMUNICATIONS	12,300	12,400	12,500	- 100	- 200
UTILITIES	8,900	8,900	8,800	0	100
TRADE	330,300	327,400	323,900	2,900	6,400
WHOLESALE TRADE	83,800	84,100	80,600	- 300	3,200
DURABLE GOODS	48,400	48,400	46,800	0	1,600
MACHINERY, EQUIPMENT, & SUPPLIES	11,400	11,400	10,900	0	500
OTHER DURABLE GOODS	37,000	37,000	35,900	0	1,100
NONDURABLE GOODS	35,400	35,700	33,800	- 300	1,600
GROCERIES & RELATED PRODUCTS	13,800	14,200	13,500	- 400	300
OTHER NONDURABLE GOODS	21,600	21,500	20,300	100	1,300
RETAIL TRADE	246,500	243,300	243,300	3,200	3,200
BUILDING MATERIALS & GARDEN SUPPLIES	9,400	9,500	8,400	- 100	1,000
GENERAL MERCHANDISE	31,400	30,700	33,800	700	- 2,400
FOOD STORES	41,800	42,100	40,800	- 300	1,000
AUTO DEALERS & SERVICE STATIONS	29,400	29,500	29,200	- 100	200
APPAREL & ACCESSORY STORES	10,900	10,200	10,900	700	0
FURNITURE & HOME FURNISHINGS	10,200	9,700	9,800	500	400
EATING & DRINKING PLACES	86,600	87,300	83,700	- 700	2,900
MISCELLANEOUS RETAIL	26,800	24,300	26,700	2,500	100
FINANCE, INSURANCE, & REAL ESTATE	77,500	77,400	75,500	100	2,000
FINANCE	28,100	28,000	28,100	100	0
INSURANCE	22,300	22,200	22,000	100	300
REAL ESTATE	27,100	27,200	25,400	- 100	1,700
SERVICES	297,200	297,400	282,700	- 200	14,500
HOTELS & OTHER LODGING PLACES	19,100	20,000	18,200	- 900	900
PERSONAL SERVICES	11,200	11,000	10,600	200	600
BUSINESS SERVICES	47,800	48,400	46,900	- 600	900
AUTOMOTIVE & MISC. REPAIR SERVICES	15,600	15,700	15,300	- 100	300
MOTION PICTURES & AMUSEMENTS	13,700	13,400	13,300	300	400
HEALTH SERVICES	88,700	88,300	83,600	400	5,100
LEGAL SERVICES	9,000	8,900	8,600	100	400
PRIVATE EDUCATION	17,200	17,200	15,200	0	2,000
SOCIAL SERVICES	26,700	26,300	25,100	400	1,600
ENGINEERING & MANAGEMENT SERVICES	20,600	20,400	19,200	200	1,400
OTHER SERVICES & NEC	27,600	27,800	26,700	- 200	900
GOVERNMENT	232,000	228,600	222,900	3,400	9,100
FEDERAL GOVERNMENT	32,500	33,100	32,400	- 600	100
STATE GOVERNMENT	62,300	62,500	60,100	- 200	2,200
EDUCATION	26,800	26,300	25,800	500	1,000
OTHER STATE	35,500	36,200	34,300	- 700	1,200
LOCAL GOVERNMENT	137,200	133,000	130,400	4,200	6,800
EDUCATION	86,900	84,700	83,900	2,200	3,000
OTHER LOCAL	50,300	48,300	46,500	2,000	3,800
LABOR-MANAGEMENT DISPUTES 10/	0	300	2,000	- 300	- 2,000

OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	NOV.1/ 1990	OCT.2/ 1990	NOV. 1989	CHANGE FROM OCT. 1990	CHANGE FROM NOV. 1989
CIVILIAN LABOR FORCE 3/	1,514,500	1,520,900	1,466,500	-6,400	48,000
UNEMPLOYMENT	84,400	81,400	78,200	3,000	6,200
PERCENT OF LABOR FORCE	5.6	5.4	5.3	XXX	XXX
SEASONALLY ADJUSTED PERCENT	6.0	6.0	5.8	XXX	XXX
TOTAL EMPLOYMENT 4/	1,430,100	1,439,500	1,388,300	-9,400	41,800

1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

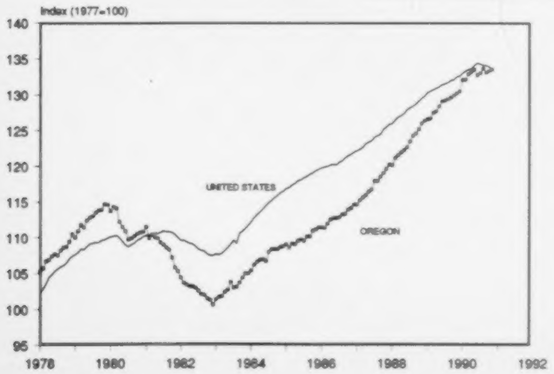
The latest national labor market report is a case in point. The Bureau of Labor Statistics reported that employment dropped sharply in November, and the declines were widespread throughout both the goods and the service sectors of the economy. The number of nonfarm payroll jobs nosedived in November, and October's job loss estimate was revised significantly higher. Nonfarm employment has now declined nationally for five straight months. This worrisome trend is reflected in the accompanying graph showing the nonfarm wage & salary employment indexes for both Oregon and the U.S.

Total employment, as measured by the household survey, had an even sharper drop in November and is now over half a million lower than a year ago. Not surprisingly, the nation's unemployment rate continued to creep higher, up two-tenths to 5.9%. All of the increase in unemployment in November was caused by workers who had lost their jobs rather than quit voluntarily or who were just entering the workforce. What is surprising is that the nation's unemployment rate is only six-tenths of a point higher that last November's 5.3%. A major reason for this relatively mild increase appears to be a decline in labor force participation among teenagers, and to some extent adult women, reflecting their poor job prospects. This tendency of "discouraged workers" to stop seeking employment until the economy improves makes the unemployment rate a lagging economic indicator.

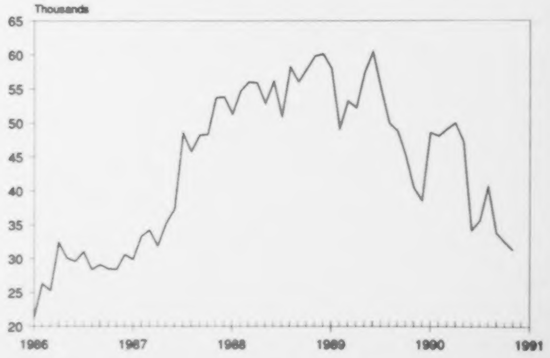
Against this kind of national backdrop, Oregon's economy looks relatively strong. But looks can be deceiving . . . and it depends where you look. For example, Oregon's unemployment rate remained unchanged in November at 6.0%, only two-tenths of a point above one year ago. However, the state's jobless rate has risen over one percentage point since last spring and appears to be headed higher despite little movement in the last two months (see unemployment graph).

And don't forget that Oregon's monthly unemployment rate has a recent tendency to undergo rather large revisions in the end-of-year benchmarking process due to new estimating procedures which began in 1989. (See Fred Klatz's article in the April 1990 issue of *Oregon Labor Trends* for a review of what happened last year.) A similar upward revision to the 1990 unemployment rates would not be surprising for several reasons. First, the Bureau of

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



NONAG WAGE & SALARY EMPLOYMENT GROWTH
OVER-THE-YEAR CHANGES



Labor Statistics will be incorporating new population data from the 1990 Census into Oregon's annual benchmark revisions for both employment and unemployment. As a result, anything could happen. Secondly, unemployment insurance (UI) claims data suggest that an upward revision is likely. New (initial) claims for jobless benefits during the first 11 months of this year are 19% higher than the same period in 1989. Yet the state's unemployment rate is only averaging 5.4% for 1990 versus last year's average of 5.7%. Since about 40% of Oregon's unemployed workers receive UI benefits (see related article in this issue) this flip-flop is possible but not very likely. And thirdly, data on nonfarm job openings received (-10%) and individuals placed in jobs (-11%) by Employment Division offices in the first 11 months of 1990 versus the same period in 1989 indicate a weakening labor market. Another good barometer of labor market conditions is the number of nonfarm job openings unfilled for 30 days or more. This indicator is down 17% so far in 1990 versus last year.

This tendency of "discouraged workers" to stop seeking employment . . . makes the unemployment rate a lagging economic indicator.

Now let's look at the employment side of the ledger. As mentioned earlier, nonfarm payroll employment rose by 1,900 after seasonal adjustment in November, boosting the employment index by 0.2. Had it not been for several one-time events, however, a loss would have occurred. For example, government employment included about 2,000 election workers who were on the job for only one or two days. December's job tally will be hurt by their layoff. Also in November, about 1,000 transportation equipment industry workers returned to their jobs following a two-week production curtailment due to weak markets. And in services, early snows allowed ski resorts to open in November in most areas of the state boosting amusements and recreation employment prematurely.

. . . Oregon's construction industry stands at the second highest November level on record . . .

The construction industry also performed very well in November, losing 1,000 fewer jobs than seasonally expected, but this was no one-month fluke. With 51,700 employees, Oregon's construction industry stands at the second highest November level on record, exceeded only by November 1979. Of all the major industry groups, construction will easily have the top employment gain (almost 10%) in 1990 compared with 1989. Strong population growth this year (+1.9%, a 53,000 gain), two-thirds of which is due to net in-migration, is a key reason for the continuing building boom. Another related reason is that single-family home construction is running about 15% above last year's pace as measured by the number of building permits issued through October. Multi-family permits have declined about 5% during the same period, however all permits combined are up 5%.

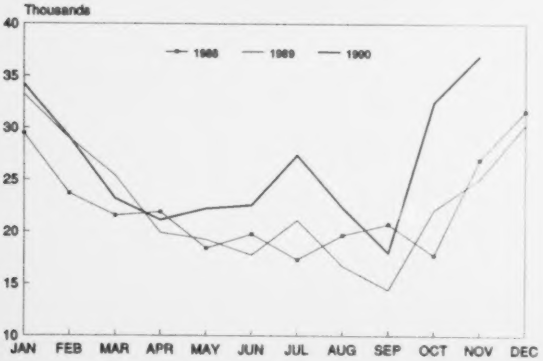
Employment trends in trade were something of a stand-off in November. The wholesale sector performed well, but retail was a mixed bag and fell short of normal seasonal hiring, especially in some department stores which were beginning to feel the impact of cautious consumers and strong retail competition in an uncertain economic climate. Other retail sectors did quite well, however, including furniture and home furnishings and miscellaneous retail which includes specialty stores, mail order firms, and drug stores.

The worst performance in November came in the lumber and wood products industry where the bloodletting continued for the eighth consecutive month. Employment plunged by 2,700, or 2,200 more than seasonally expected, as poor markets brought a host of new closures and cutbacks. Logging was the big loser with 1,300 fewer workers while sawmills and veneer/plywood each lost 500 jobs. At 59,300, Oregon's lumber and wood products employment is now at the lowest November level since 1982 and the lowest level of any month since April 1983. In the past year alone, 8,200 lumber industry workers have become extinct.

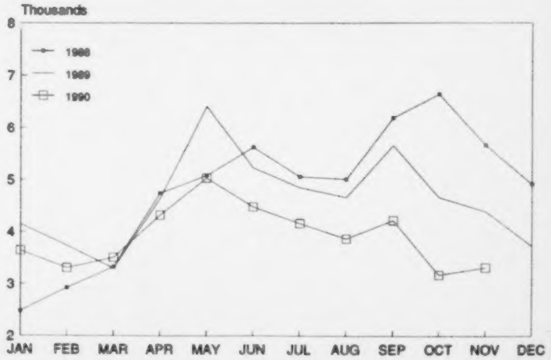
The wood products industry actually started 1990 on a relatively strong note due to unusually mild winter weather and the resumption of timber sales activity on the region's federal forests late last year. Tight log supplies coupled with concern over the possible listing of the northern spotted owl as a threatened or endangered species drove timber sale prices sky high a year ago. On a seasonally adjusted basis, lumber industry employment averaged 67,500 during the first quarter of 1990. Since March, however, it's been all downhill with November's adjusted employment level down by 9,000 over this eight-month period.

The industry's problems this year have once again been a combination of many factors including cost and availability of logs, environmental restrictions, and falling demand and

INITIAL CLAIMS FOR UI BENEFITS
STATE OF OREGON, 1988-90



NONAG JOB OPENINGS UNFILLED 30+ DAYS
OREGON EMPLOYMENT DIVISION



prices for finished wood products. Although much more federal timber was sold in 1990 as required by Congress, its price was very high. The nation's deteriorating economy, especially since last summer, and the deepening slump in the U.S. construction industry now make it uneconomical for much of Oregon's high-cost lumber industry to continue operating.

Despite the dismal picture for this key manufacturing industry, Oregon's economy continues to show solid job growth from one year ago. Total employment in November declined seasonally from October, but was still a hefty 41,800 above last year's November level. And nonfarm wage and salary employment, a more reliable measure of job change, was 31,200 higher (+2.5%) than last year. But year-to-year growth is definitely slowing and was the smallest so far this year in November (see graph).

> ***. . . economic growth continues at a slower pace but Oregon still ranks quite well compared with most other states.***

October's annual job growth gain was only a tad stronger at +2.6%, but this still earned Oregon the distinction of having the ninth-fastest rate of annual job growth of all the states. We didn't fare nearly as well, however, in the manufacturing employment comparison ranking 30th (-1.6%).

All things considered, Oregon's economy put on a "kinder and gentler" performance in November and over the past year than did the U.S. economy, although the lumber and wood products industry was the major exception. In general, economic growth continues at a slower pace but Oregon still ranks quite well compared with most other states. Will this favorable pattern continue in 1991 or will Oregon's long economic expansion finally come to an end as it has nationally? We'll look at this question next month. It's a close call today, but then a lot can happen in a month these days . . . □

4

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Oct.[2] 1990	Sep.[3] 1990	Oct. 1989	Oct.[2] 1990	Sep.[3] 1990	Oct. 1989	Oct.[2] 1990	Sep.[3] 1990	Oct. 1989
TOTAL MANUFACTURING[4]	$445.76	$451.88	$433.36	39.8	40.6	40.2	$11.20	$11.13	$10.78
Durable Goods	455.54	465.12	447.01	40.1	40.8	40.6	11.36	11.40	11.01
Lumber & Wood Products	437.86	457.88	449.75	39.2	40.7	40.3	11.17	11.25	11.16
Logging & Sawmills	474.40	490.05	484.38	39.5	40.4	40.5	12.01	12.13	11.96
Veneer & Plywood	413.44	447.99	445.26	38.0	41.1	41.0	10.88	10.90	10.86
Millwork & Structural	374.14	389.23	357.44	39.3	40.8	38.6	9.52	9.54	9.26
Mobile Homes	378.68	374.40	353.19	40.2	39.0	38.1	9.42	9.60	9.27
Other Wood Products	429.04	456.18	429.60	39.8	42.2	40.3	10.78	10.81	10.66
Furniture & Fixtures	389.38	363.68	398.60	38.1	37.3	39.9	10.22	9.75	9.99
Primary Metals	514.76	518.93	503.03	40.5	40.7	41.3	12.71	12.75	12.18
Fabricated Metals	413.03	420.80	403.13	39.6	40.0	39.6	10.43	10.52	10.18
Machinery (Ex Electrical)	443.19	440.75	444.71	39.5	39.6	40.1	11.22	11.13	11.09
Nondurable Goods	421.11	418.55	398.27	39.1	39.9	39.2	10.77	10.49	10.16
Food & Kindred Products	341.38	337.11	326.17	38.1	39.8	38.6	8.96	8.47	8.45
Canning & Preserving	297.11	299.43	283.78	37.8	40.3	38.4	7.86	7.43	7.39
Other Food Products	419.12	428.02	413.79	38.7	38.7	39.0	10.83	11.06	10.61
Textile Mill Products	294.58	268.25	266.81	40.8	37.0	36.6	7.22	7.25	7.29
Apparel	261.85	268.99	274.19	37.3	38.1	40.5	7.02	7.06	6.77
Paper & Allied Products	658.98	663.64	654.46	42.0	41.4	43.0	15.69	16.03	15.22
Printing & Publishing	494.31	507.52	445.28	38.8	39.1	37.2	12.74	12.98	11.97
Construction[4]	606.76	624.88	577.60	38.5	39.7	38.1	15.76	15.74	15.16
Communications & Utilities[5]	580.58	606.48	552.15	40.6	42.0	40.9	14.30	14.44	13.50
Trade[5]	324.48	343.32	324.68	34.3	35.8	35.1	9.46	9.59	9.25
Wholesale Trade	434.33	455.90	437.58	38.2	39.2	39.6	11.37	11.63	11.05
Retail Trade	266.94	285.42	266.66	32.2	34.1	32.8	8.29	8.37	8.13
Banking & Insurance[5]	365.81	388.86	360.84	37.1	39.2	38.8	9.86	9.92	9.30
State & Local Government	424.26	444.08	401.89						

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[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.*

INDEX OF ARTICLES - 1990 OREGON LABOR TRENDS

Virlena Crosley

The 1990 Economic Outlook

After two banner years in 1988 and 1989, Oregon's 1990 economy will be no super nova. Oregon can expect slower employment growth and the first annual increase in unemployment since 1982. However, Oregon should again out-perform the nation which appears to be teetering on the brink of recession.

Nonresidential construction employment is expected to slow, however, residential construction will remain strong. Oregon's lumber and wood products industry will continue to face slumping demand, higher costs, and a shortage of timber supplies. Federal timber harvests are expected to significantly decline due to new forest plans and the possible listing of the northern spotted owl as an endangered species; Jan., page 4.

The 1990s Job Revolution—Facing the Facts

Discusses the workforce crisis that threatens America and highlights one community's effort that is addressing this critical issue. Focuses on the Salem/Keizer Community Youth Employment Program during 1988-89 and 1989-90 academic years; Jan., page 7.

Job Growth Revised Upward

The 1989 benchmark revisions of 1988 and 1989 employment data resulted in significantly stronger growth than earlier estimated. Annual average employment for 1988 was revised upward by 3,700 (+0.3%), while the 1989 average increased by 10,700 (+0.9%). New 1987 SIC Manual used for publication of benchmarked data means some industry data will not be comparable with 1987 and before; Feb., page 10.

Minimum Wage Rises

Oregon's minimum wage increased from $3.85 to $4.25 an hour on January I, 1990. A smaller federal minimum wage and increase ($3.35 to $3.80 an hour) occurred in April 1990; Feb., page 12.

The Consumer Price Index--Methods, Uses, and Limitations

Gives historical perspective of the CPI-U and CPI-W and discusses how they are calculated. As the most widely used U.S. Government-provided inflation statistic, CPI fluctuations affect virtually every American. Weaknesses or limitations of the CPI include that it: cannot be used to compare living costs between different locations; does not provide data separately for population subgroups such as the elderly; or is not as precise for use by nonurban residents as it is for urban residents; March, page 4.

Poll Finds Americans Need Career Information

Summarizes a 1989 survey conducted by The Gallup Organization. The survey found that two-thirds of adult Americans would try to get more career option information if they could chart their career paths again. Also, while adults believed schools were spending enough time preparing students for college, they thought more could be done in helping students develop skills for finding jobs after high school; March, page 12.

Down on the Farm

Discusses complications caused by the Immigration Reform and Control Act of 1986 (IRCA). Although IRCA seems to have reduced the influx of undocumented workers, it has increased paperwork by employers. IRCA also may not be flexible enough to provide seasonal farm labor in adequate numbers in 1990-93. Adequate housing and employer profit margins also complicate farm labor situations; April, page 6.

Economic Indicators of Industrial Health

A look at Oregon's lumber and wood products industry shows lumber production levels have declined with increasing volatility over the last four decades. Facing many changes, this industry is still expected to be a significant part of Oregon's economy for years to come; April, page 8.

Technical Labor Shortage Evident in Alien Wage Determination

The Employment Division's role in the alien certification process is limited to determining the prevailing wage for the position offered by the employer to the alien and listing the job opening to determine if there are qualified U.S. workers available; April, page 10.

Is Oregon's Workforce At Risk?

Discusses trends cited in the newly released Employment Division report entitled *Oregon Workforce at Risk*. Key trend is that Oregon's workforce may not match changing jobs and new jobs; May, page 7.

Slow Oregon Wage Growth

Average weekly earnings for manufacturing production workers in Oregon and each of the four MSAs have failed to keep pace with inflation during the 1980s; May, page 9.

Basic Skills for Tomorrow's Workforce

Emphasizes the skills and characteristics employers will be looking for in employees over the next ten years including proficient math skills; ability to read, write, and speak effectively; ability to work interdependently with other employees; and good basic work habits; May, page 11.

Timber Famine in the Nation's Wood Basket

Summarizes economic implications of the proposed northern spotted owl conservation strategy. Article is based on an in-depth analysis by the Oregon Department of Forestry and Oregon State University's College of Forestry. Prospects for the timber industry depend on the ingenuity and wisdom of its workers, owners, and state and national policymakers in making wise investments in the future; July, page 5.

Recent Trends in Oregon's Employment and Residential Building

Discusses two main reasons Oregon's residential construction rose from 1987 to 1989 while housing starts dropped nationwide: Oregon's population and economy grew rapidly and low vacancy rates; Aug., page 5.

Oregon's Strategic Plan—An Update

Updates *Oregon Shines*, a long-range economic strategy for Oregon, which resulted in the Legislature adopting a new concept, the Oregon Progress Board. The Progress Board drafted over 100 measurable goals to be presented to the 1991 Legislature in *Oregon Benchmarks*; Sept., page 4.

Oregon Housing Agency Makes Housing for Workers a Priority

Summarizes requirements for the 1990 Low-Income Housing Tax Credit Program. Incentives offered to developers who provide low-income housing and employers who become a general or limited partner in a housing project; Sept., page 5.

County Per Capita Income Data Released

Includes table showing per capita personal income by county for 1987 and 1988. Oregon's statewide per capita income grew at a real rate (adjusted for inflation) of 2.8%; Sept., page 6.

Beyond Workforce 2000

Compares Oregon's key economic, education, and job training statistics to those of Denmark, Sweden, and Germany. Offers perspective that for Oregon to effectively compete worldwide, government, employers, workers, and educators must form active partnerships and work together to build a workforce prepared to meet the future; Oct., page 6.

The Poor: Let Us Now Praise the Victims

Discusses factors that contribute to the poverty rate. The 1989 poverty rate remains higher than for any time during the 1970s. Indicates that we are far from eliminating poverty and because of a decline in real income and long-term job security, many people feel more insecure now than in the several decades of prosperity following WWII; Nov./Dec., page 4.

Upgrading Workplace Skills: Whose Job?

Lists different strategies to upgrade the workforce and discusses whose job it should be. Offers opinion that many businesses are realizing that even when they purchase sophisticated new equipment, the "people factor" is key to increased productivity, and proper training is an important investment; Nov./Dec., page 7.

Employers' Corner:

Applause, Refocus, and Request—Oregon's Job Service Employer Committee National Convention (JSEC); April, page 12.

Changing Workforce Impacts Employers; May, page 12.

Temporary Services Employment Growth; June, page 7.

Making a Difference—Education; Aug., page 8.

Oregon's Job Service Employer Committee (JSEC) Annual Conference; Sept., page 8.

Crosley Named to Research Post; Oct., page 8. ☐

1990 OREGON POPULATION SURVEY

Paul Warner

(Editor's note: Paul Warner, State Economist for the Oregon Executive Department, chairs the Oregon State Demographic Task Force.)

In 1988, Fred Miller, Director of the Oregon Executive Department, appointed a task force to examine the implications of changing demographic patterns for Oregon's residents and their government. The task force consisted of representatives from state government agencies. After hearing from academic experts and researchers from other states, the task force concluded that fundamental demographic changes occurring on a national scale had important ramifications for Oregon as well.

. . . compared with the U.S. Oregon has unique characteristics such as an older population . . . less ethnic diversity, and more rural residents.

The task force recognized that national trends toward slower labor force growth, changing age composition, growing ethnic diversity, and changing characteristics of the poor have had and will continue to have an impact on Oregon's demographic makeup. However, evidence also indicates that compared with the U.S. Oregon has unique characteristics such as an older population (fewer children and more elderly), less ethnic diversity, and more rural residents. Moreover, the state has begun to experience rapid in-migration once again after several years of out-migration in the early 1980s.

The task force discovered that the information necessary to assess Oregon's demographic patterns was unavailable. The most recent detailed, comprehensive state data was the 1980 U.S. Census of the Population. Further, the detailed portion of the 1990 Census is unlikely to be available prior to 1993. The solution: a statewide telephone survey of 3,200 households.

A household survey conducted simultaneously with the census allows for benchmarking the data with the census when it becomes available to adjust for any biases introduced by using phones instead of going door-to-door. The survey can then be updated every two years to provide high quality current information on important demographic variables such as education level, income distribution, age, ethnic composition, and poverty. This information can be used to profile different groups of Oregonians such as those living in poverty, the elderly, those in the lumber and wood products industry, and new residents. Further, the sample was drawn in such a way as to allow for the division of respondents into eight regions of the state. Each region consists of 400 respondents, enough to use the results to infer characteristics about the regional population with a reasonably high degree of confidence.

The survey was conducted by Bardsley and Neidhart, Inc., of Portland between May 15 and June 28 of this year. Analysis of the results has only just begun, but the summary statistics are already having an impact on some established perceptions. A summary of some major statewide statistics can be found in the accompanying table.

The results indicate that Oregon's median age is 33 years old, median annual household income is $25,585, and the state's population is 94% white. All of these results conform to expectations and indicate that the sample is likely to be representative of the overall population. The poverty rate appears to be somewhat lower than expected at 9% of households, but this is likely due to missing a disproportionate number of poor households who do not have phones. Benchmarking against census data will be particularly useful in this case.

Some of the other summary statistics from the accompanying table are less intuitively obvious. Of working respondents, 62% are in "white collar" occupations and 68% of households own their home. Of Oregonians over 25 years old, 47% have no college education while 13% have not received a high school diploma or GED. In addition, 16% of residents do not have health insurance (public or private). Finally, Oregonians are highly mobile with 47% of respondents having lived at a different address five years ago.

Since World War II, the nation has never entered a recession . . . with an unemployment insurance program that reached so small a proportion of jobless workers.

The most interesting use of the data for public policy purposes or for business marketing applications is to identify subgroups and compare their characteristics with the overall population. For example, although 13% of Oregon adults do not have a high school diploma/GED, 22% of those who work in the lumber and wood products industry have not completed high school. This has important implications for training programs aimed at helping timber-dependent communities. Another important subgroup for government policy are those living in poverty. Children below age 10 make up 15% of the total sample yet they constitute 23% of people in poverty. The implications of this statistic for Oregon's future are obvious.

A subgroup which has received a lot of interest over the past two years is new residents. The survey differentiates between Oregonians who lived in the state five years ago and those who lived out-of-state. A table comparing demographic and economic characteristics between the two groups is available from the author. Although a widespread perception exists that a large number of new residents are retirees, in terms of gross migration, this is not the case. Recent migrants tend to be younger, have less income, and live in lower valued homes than established residents. They also tend to be in higher skilled occupations and have more education. These last two characteristics have important implications for the future of the Oregon economy. Finally, about 33% of new residents come from California, similar to the historical proportion of in-migrants moving up from the Golden State.

> ***Although a widespread perception exists that a large number of new residents are retirees, in terms of gross migration, this is not the case.***

The demographic survey will be a very important tool for examining a wide variety of state policy issues and provide valuable insight into how Oregon is changing. The Demographic Task Force is now working in conjunction with faculty at the University of Oregon, Oregon State University, and Portland State University to comprehensively analyze the results of the survey and assess the implications of these new data. If you would like further information or a copy of the survey data, contact Paul Warner at (503) 378-3405. ☐

SELECTED OREGON DEMOGRAPHIC INFORMATION -1990

Age:	Median = 33 years Over one-fourth (26%) are under 18 years of age
Household Income:	Median = $25,585 Almost half (47%) earn less than $25,000 annually
Poverty Level Households:	9%
Gender:	53% female; 47% male
Race:	94% white; 6% minority
Occupation:	62% in three categories -- professional/managerial/owner (34%), clerical (14%), and service (14%)
Major Industries:	Retail trade (17%), service (13%), government (8%), and lumber & wood products (6%)
Education:	Almost half (47%) have no college education; 13% have not received a HS diploma/GED; 8% have a post-grad education (16+ years)
Health Insurance:	Approximately 447,000 Oregonians (16%) have no health insurance
Home Ownership:	68% own their home. Median home value -- $73,520
Mobility:	47% did not live at current address five years ago

Source: Bardsley and Neidhart, Inc.

BEL - AN OLD SOUND WITH A NEW RING

Ken Lux

A longtime goal of the Oregon Employment Division was recently achieved by the creation of an establishment-based employment and payroll data base. Beginning with the first quarter of 1990, employers with multiple physical locations (i.e., establishments) in Oregon are required to report their monthly employment and total quarterly payroll by separate location if they have more than ten employees outside of their "primary" location.

This dynamic improvement to the quality of the data that defines and describes Oregon's economy has been made possible through the combined efforts of the Oregon Employment Division and the U.S. Bureau of Labor Statistics. (The Bureau has been given the responsibility by Congress to work within the structure of the Covered Employment and Payroll [ES-202] program to collect this data.) The ES-202 is one of the Federal-State cooperative programs designed to collect and publish statistical information for use by federal, state, and local government as well as the private sector.

This enhanced data base, known as the Business Establishment List (BEL), represents a major commitment by the federal government to work with the states to improve the quality of information that is used to allocate millions of tax dollars at the federal, state, and local levels.

The BEL project, as it is most frequently called, combines employment and payroll data with other information on Oregon employers such as the address where the work is actually performed as well as identification of the kind of business being operated at each location.

Through the efficiency of improved computer systems and minimal additional staffing, the Bureau and the states have been able to develop this data base at minimal cost to the taxpayers. At the same time, considerable effort has been made to reduce the burden placed on employers by these new reporting requirements without compromising its quality.

Improved, simplified, and standardized reporting forms have replaced more labor-intensive and lengthy ones. At the same time, considerable effort is being made to work with those employers who, for one reason or another, have difficulty meeting the reporting requirements.

By focusing the attention of those who work in statistical research programs, such as the BEL project, on the details of employment and payroll at the establishment level, others who rely on the accuracy of information concerning the health of Oregon's economy can do so with increased confidence. For example, some use part or all of this information to forecast the potential for growth based on past employment history of the companies in our communities. Given the ever-increasing cost of educating America's youth, as well as those who seek to enhance their education later in life, having accurate and unbiased employment information for the community in which you live, or would like to live, becomes critical.

Looking at this information from the perspective of a local government planner or city council, knowing that the total employment for the ACME Manufacturing Company actually represents several different plants in various locations is vitally important. Suppose, for example, the company has several hundred employees. A loss of 20 or 50 employees may actually be caused by the closing of a plant in my city or county rather than the loss of a few employees at each location. The true impact of that loss is far greater in the former case, especially for the community where the plant is located.

The goal of the BEL project is identical to that which guides the other statistical programs operated by the Employment Division, namely, to provide the best, most complete, accurate, and timely labor market information that is possible. ☐

WELFARE REFORM: MOVING FROM WELFARE TO WORKFORCE

Stephen Minnich

(Editor's note: Stephen Minnich is the Administrator of the Oregon Adult and Family Services Division.)

Oregon's welfare system is changing. In October 1990, the state's "welfare reform" program began, and it will mean a difference for many welfare recipients.

But the difference won't only be in rules and regulations the welfare client must follow. For many people on public assistance, the difference will be getting an opportunity to improve their lives. Welfare reform can mean a chance to get off welfare and into a job that allows clients to support their families.

The full name of the welfare reform program is "JOBS for Oregon's Future," and it went into effect October 1. In many parts of the state, the program will phase in gradually, so welfare recipients may not see immediate changes.

What are some of the changes that the program will make? Instead of requiring many people on welfare to look for a job in order to qualify for benefits, the new program gives them help in finding out why they aren't able to get work.

Do they need more education, need to improve their self-esteem, or practice their job interview skills? Do they understand the rules of the workplace? Together, the client and welfare worker will decide what the client needs to learn to be successful. Then they will set up an "employment plan," a program of education and training courses designed to provide the skills and attitudes needed to get a job.

If clients need to complete a high school education, they can be enrolled in different types of educational programs at high schools or community colleges.

Classes in "life skills" and "job readiness" can also be part of these plans. Those programs will help boost self-image, teach people how to communicate effectively, handle stress, and manage their finances. The programs will be operated by agencies and organizations in local communities.

While clients are in education and training courses, they will still receive their welfare grants, and their child care and other needed services will be paid.

The people who go through the welfare reform program will get help in finding a job — not a "dead end" job with no future, but one that provides a way off public assistance and onto a secure career path.

Making that change, from being on welfare to having a job, can be difficult. Under welfare reform, the clients who take jobs will get extra help in the months after they leave welfare. Most people will qualify for help with child care costs under a state subsidy program, and the amount they receive from that program has been increased. Clients can also remain eligible for Medicaid coverage for as long as a year, instead of four months under the present system.

Getting child support payments often makes a big difference for welfare families, and the new welfare reform program provides more help in that area. There is an expanded program to help identify the father of a child and then get a court order for child support payments.

Teenaged parents are an important part of the welfare reform program. Often, these clients need to finish their education before they can find work. Under the new program, teenaged parents 16 and older who don't have a high school diploma or GED must study toward a diploma in order to keep getting their portion of the welfare grant.

Along with that high school education, teenagers often will attend classes on how to be a better parent and will learn other skills they will need to succeed.

Welfare reform programs will not be exactly the same throughout the state. There are two reasons for this. First, local planning boards have been set up to decide how the program will be operated in different areas. Secondly, because of a limited budget, a full welfare reform training program cannot be operated throughout the state.

In the seven areas of the state which were served by the "New JOBS" pilot program, there will be a variety of courses offered in the welfare reform program. In other areas of the state, the program will offer fewer types of training courses during the first nine months it operates.

Also, because of the limited budget welfare reform will not be able to serve all welfare recipients. There are certain groups which welfare reform is specifically designed to help, and clients who fall into those groups may be required to participate. But even if a person is not in one of these groups, he or she can volunteer for the program.

There have been other job training programs for people on welfare in the past. These had names such as JOBS, New JOBS, or WIN. The welfare reform program that began in October replaces those programs.

One thing that differentiates "JOBS For Oregon's Future" from prior attempts at solving welfare problems is that it is a cooperative effort. Five state agencies — Adult and Family Services, the Oregon Economic Development Department, Department of Education, Employment Division, and the Office of Community College Services — are all working together to move people off welfare and into the workforce.

The U.S. Congress passed the welfare reform law to help people on welfare become financially independent. Welfare reform is also meant to prepare more people to fill jobs in the nation's economy. The state is working toward those same goals as it begins its own welfare reform program in Oregon. ☐

FEWER UNEMPLOYED COLLECT JOBLESS BENEFITS

Pete Dissmore & Jeff Hannum

A relatively small proportion of unemployed workers (33% nationwide) collected jobless benefits in 1989. That is down from 75% in 1975, according to an article in the November 1990 *Changing Times* magazine. Although the article neglects to point out that 1975 and 1989 were both atypical years comparing a recession year with one of the best years of the 1980s, the fact remains that the ratio of unemployment insurance (UI) recipients to total unemployed nationally has dropped in the last several years to the lowest level since the 1930s. In the mid-1970s, UI coverage soared primarily because Congress temporarily extended the duration of UI benefits from 26 weeks to as much as 65 weeks to help bring the nation out of a deep recession.

Citing information from Urban Institute unemployment expert Wayne Vroman, the *Changing Times* article gave several reasons for the current low level of UI coverage: "a relative decline in manufacturing jobs (people regularly laid off and rehired qualify most easily for benefits); more low-paid retail and food-service workers quitting (voluntary leave rarely qualifies); heavy migration to southern and southwestern states (where requirements to qualify are stricter); and the failure of many jobless people to apply, thinking they're not eligible for benefits."

Unemployment insurance programs are designed to provide partial replacement (approximately one-third) of wages lost during a temporary period of unemployment. These programs temporarily maintain the purchasing power of unemployed workers and consequently reduce the negative economic effects on communities. This is especially true during times of recession when unemployment is quite high, and any type of federal or state spending is effective in stimulating the economy.

With this in mind, coupled with the structural changes occurring in the nation's economy and recent signs of recession, some questions arise whether the present UI system can effectively respond to the challenges ahead. In an August 1989 report entitled *Unprotected: Unemployment Insurance and Jobless Workers in 1988*, the Center on Budget and Policy Priorities in Washington D.C. examined the issue of declining UI coverage in the 1980s. The report stated:

"Since World War II, the nation has never entered a recession — the part of

UNEMPLOYMENT INSURANCE COVERAGE BY STATE, 1989

	Unemployment Rate	Number of Unemployed (Thousands)	Percentage Covered by UI	Rank
Rhode Island	4.1	21	67.3	1
Massachusetts	4.0	127	67.2	2
Alaska	6.7	17	58.7	3
Dist. of Col.	5.0	16	50.9	4
New Jersey	4.1	163	50.2	5
Pennsylvania	4.5	264	48.7	6
Maine	4.1	25	46.5	7
Connecticut	3.7	64	45.8	8
Vermont	3.7	11	45.6	9
California	5.1	737	44.9	10
Idaho	5.1	25	44.8	11
Wisconsin	4.4	114	40.4	12
New York	5.1	442	40.1	13
Washington	6.2	151	39.9	14
Hawaii	2.6	13	39.7	15
Oregon	5.7	84	38.7	16
Kansas	4.0	52	38.0	17
Minnesota	4.3	102	37.2	18
Tennessee	5.1	121	35.2	19
Michigan	7.1	326	33.8	20
North Carolina	3.5	119	33.4	21
Missouri	5.5	143	32.9	22
North Dakota	4.3	14	32.4	23
Delaware	3.5	13	32.1	24
Maryland	3.7	93	31.5	25
Nevada	5.0	30	31.3	26
Montana	5.9	24	30.4	27
Arkansas	7.2	82	30.2	28
Nebraska	3.1	25	30.0	29
Ohio	5.5	300	29.5	30
Illinois	6.0	359	28.6	31
South Carolina	4.7	80	27.7	32
Iowa	4.3	65	27.3	33
New Hampshire	3.5	21	26.9	34
Kentucky	6.2	108	26.5	35
New Mexico	6.7	46	24.9	36
Alabama	7.0	134	24.8	37
West Virginia	8.6	66	24.5	38
Louisiana	7.9	151	24.5	39
Mississippi	7.8	91	24.3	40
Colorado	5.8	98	23.9	41
Wyoming	6.3	15	23.8	42
Indiana	4.7	136	23.8	43
Utah	4.6	37	23.6	44
Georgia	5.5	177	22.0	45
Arizona	5.2	89	21.1	46
Oklahoma	5.6	85	19.9	47
Texas	6.7	567	19.5	48
Virginia	3.9	123	17.6	49
Florida	5.6	348	17.0	50
South Dakota	4.2	15	16.6	51
United States	5.5	6,528	33.0	

Source: U.S. Department of Labor data compiled by the Center on Budget and Policy Priorities, Washington, D.C.

the economic cycle in which unemployment benefits are most needed to provide economic security during spells of unemployment — with an unemployment insurance program that reached so small a proportion of jobless workers. Nor has the nation entered a recession with the federal deficit so large, making it unlikely that the unemployment insurance system will be broadened to the extent that occurred during previous recessions."

The report also showed that the ratio of workers collecting unemployment benefits to the total number of unemployed varies widely among the states. In 1989, for example, UI coverage ranged from a low of about 17% of unemployed workers receiving benefits in South Dakota and Florida to a high of over 67% in Rhode Island and Massachusetts (see accompanying table).

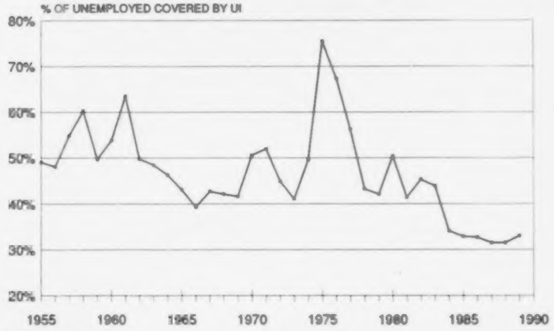
While Oregon compared relatively well with the nation (38.7% versus 33%), nearly two-thirds of all unemployed Oregonians did not receive any UI benefits in 1989. For those who did, the average jobless benefit was about $154 a week for 13 weeks. In 1990, Oregon's weekly benefit amount ranged from a minimum of $57 to a maximum of $247 for up to 26 weeks.

Since the UI system is designed to partially replace income lost due to short-term unemployment, the *Changing Times* article raised the question whether the present system still fits the times:

"It best serves workers in construction and the auto industry, who are often furloughed but return seasonally or when sales improve. Arguing that many lost jobs are permanent sackings, the Committee for Economic Development, an organization of corporate chief executives and university presidents, recommends earmarking unemployment funds for retraining and giving lump sums to people who must move to find a job. There have been experiments with that, but its likelihood is remote because social service budgets are slim."

Despite tight budgets, Oregon and the nation will need to find ways to help the majority of unemployed workers who either do not qualify for UI benefits or who exhaust their benefits due to long-term unemployment. Whether financed, in part, by the unemployment insurance system or some other means, it is essential that we increase the investment in training and re-training workers, especially those who are displaced permanently by a changing economy. ☐

FEWER U.S. UNEMPLOYED WORKERS
COLLECT JOBLESS BENEFITS



Source: U.S. Dept. of Labor data.
Compiled by Center on Budget and
Policy Priorities, Wash. D.C.

AMERICANS WITH DISABILITIES

Sandi Hadley-White

On July 26, 1990, President Bush signed the Americans with Disabilities Act (ADA) into law. There are four sections to the act; employment, transportation, public accommodations, and telecommunications. The employment section will have the greatest impact on employers nationwide. While the regulations to implement the Act will not be available until spring 1991, the following summary of the employment section of the Act is provided as a guideline for your convenience. It is not intended to predict exactly what the regulations will require.

Any employer with 15 or more employees is subject to the provisions of ADA as of July 26, 1994. Those with 25 or more employees will be subject as of July 26, 1992. No covered employer will be permitted to discriminate against a person with a disability in hiring, firing, compensation, advancement, training, etc. Employers will be required to make reasonable accommodations for otherwise qualified applicants with disabilities, unless the employer can show that doing so would cause undue hardship. The term "reasonable accommodations" includes making existing facilities accessible and making changes in job structure or scheduling where it is necessary to allow a person with disability to perform a job. "Undue hardship" is an action imposing significant difficulty or expense. Such factors as business size and budget will be considered in determining whether an accommodation is reasonable or constitutes undue hardship.

Employers who fall within the other three general sections of the act will have additional requirements to meet. Transportation-related employers will need to meet requirements of their business that include specific requirements and timetables for making public transportation by bus and rail accessible to people with disabilities. Employers who own public accommodations also need to remove architectural and communications barriers in existing facilities where this is readily achievable. Under the Act, public accommodations include hotels, motels, restaurants, bars, theaters, concert halls, stadiums, auditoriums, bakeries, grocery stores, other retail establishments, laundromats, banks, offices of health care providers, pharmacies, museums, day care centers, and many others too numerous to mention here. Telecommunications service providers will be required to provide interstate or intrastate telecommunication relay services to hearing or speech-impaired people who use no-voice terminal devices (TDDs).

Individuals who believe they have been discriminated against will have the same remedies available to them as women and minorities had under the Civil Rights Act of 1964, namely injunctive relief and back pay in cases of employment discrimination. Injunctive relief could also include retrofitting new buildings built in violation of the accessibility provisions of ADA.

Our thanks to the Oregon Disabilities Commission (ODC) for their help in preparing this information. If you have further questions, the Commission is preparing to offer information and advice regarding ADA. They are forming a speaker's bureau. If any group is interested in having a speaker for a meeting, contact ODC at 378-3142 voice or 378-3599 TDD ONLY. ☐

INTERNSHIP PROGRAM BUILDS POSITIVE RELATIONSHIPS

Gin Denison

(Editor's note: Gin Denison is Deputy Citizens' Representative, Office of the Governor, and is a partner in a small business. She also serves as an Oregon Job Service Employer Committee vice-chairperson.)

In an ongoing effort to meet the needs of Oregonians, the Governor's Citizens' Representative Office has been provided with the unique opportunity to promote and operate an intern program. This program not only enhances the ability to serve the many Oregonians that contact the Governor's office, but has allowed the Citizens' Representative Office to refine and develop the internship program into a viable resource that can be utilized by all state agencies, colleges, universities, and the students themselves.

The Citizens' Representative Office has developed and now maintains relationships with four-year colleges and universities in several states as well as Oregon community colleges in an effort to provide quality internship opportunities to students. These internships also provide state agencies with students that will enhance the agencies' workflow at a minimal cost. Many colleges/universities provide students with the option of earning credit toward graduation for work done as an intern. The internships can be paid or unpaid. Students eligible for work-study funds have the option of participating in a paid internship that is funded jointly by their college and the host agency. Students can earn both credit and work-study funds if they are eligible and the college participates in both programs.

The internship program for the Citizens' Representative Office is an active partnership between state government, higher education, and the student. This opportunity brings students into our offices as active participants in a government work experience. It also serves as an excellent recruitment tool for future state employees. Interns with the Citizens' Representative Office spend from three to six months in an internship program. The intern is not expected to be a fully qualified professional. To learn by observation is one purpose of the intern program; to work with a mentor is another. Interns are given the opportunity to increase their knowledge and work responsibility over the course of the internship. The intern becomes aware of the many needs, concerns, and problems facing Oregonians and how they play an important role in resolving these issues. The intern learns more about state government and how it can work to benefit the citizenry. Interns learn to handle phone calls from citizens and to gather complete information; they provide case management of citizen issues, including making referrals to other state and federal agencies.

If you know of a college student that would be interested in an internship opportunity with the State of Oregon, or if you represent a state agency that would like to hire an intern, contact Gin Denison, Deputy Citizens' Representative, Office of the Governor, at 378-4582. This is a wonderful opportunity to build positive relationships between government, education, and local communities. ☐

JSEC SEMINARS

MOTIVATION AND COMMUNICATION
The Greenwood Inn
Beaverton, Oregon
January 22 . . . 7:15 a.m. - Noon
Call Donna Harris, phone 526-2751

SAFETY IN THE WORKPLACE
City Administration Building
Klamath Falls, Oregon
January 23 . . . 8:00 a.m. - Noon
Call Hilliard Blanchard, phone 883-5653

LMI LABOR MARKET INFORMATION

STATE OF OREGON

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FEBRUARY 1991

State of Oregon • Employment Division • Department of Human Resources

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)		
Dec.	1990	6.3
Nov.	1990	6.0
Dec.	1989	5.6
United States (Seas. Adj.)		
Dec.	1990	6.1
Nov.	1990	5.9
Dec.	1989	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)		
Dec.	1990	133.7
Nov.	1990	133.4
Oct.	1990	133.3
Sept.	1990	133.1
Aug.	1990	133.7

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon		
Nov.	1990	$11.27
Oct.	1990	$11.31
Nov.	1989	$10.83

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon		
Nov.	1990	39.3
Oct.	1990	40.0
Nov.	1989	39.0

CONSUMER PRICE INDEX (CPI)
1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver	
Jan.-June 1990	124.9
Yearly change	4.7%
Annual Average 1989	120.4
Yearly change	5.0%
United States	
Dec. 1990	133.8
Yearly change	6.1%
Annual Average 1990	130.7
Yearly change	5.4%

Portland Hotline 326-4132

GULF WAR MINES '91 OUTLOOK

Jeff Hannum

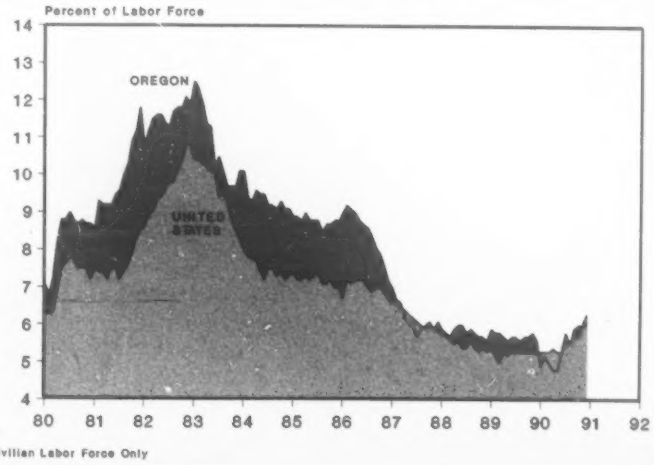
With the nation's attention now locked on war in the Middle East, economic data for December seems to pale in importance. Nevertheless, for those still interested in ancient economic history, let's take a quick look back before trying to figure out what it all means for the economy in 1991.

Although the National Bureau of Economic Research hasn't yet formally declared that the U.S. is in a recession, December data indicates that the average American has already decided that "if it looks like recession, sounds like recession, and feels like recession . . . then it must be a recession!" In any event, the slump, or whatever you choose to call it, gathered momentum in December with many indicators of economic health continuing to fall. From industrial production and retail sales to consumer confidence and housing starts, the nation's economic picture continued to worsen. Labor market data was no exception. Dr. Janet Norwood, Commissioner of the U.S. Bureau of Labor Statistics, summed up December's labor market situation as follows:

> ". . . the job market continued to deteriorate in December. Unemployment rose another two-tenths of a point. Seventy-five thousand payroll jobs were lost, following two months of even larger losses. The employment weakness was broad-based, affecting most sectors of the economy."

Although Oregon's unemployment rate jumped by three-tenths of a point to 6.3% in December (versus the nation's two-tenths rise to 6.1%), the employment side of the picture was relatively strong. Nonfarm employment gained 2,400 after seasonal adjustment in December pushing the state's employment index up 0.3 to 133.7. This employment indicator now equals the previous all-time high reached last August. It also marked the first time since March 1981 that the employment index, which is based upon 1977 annual average employment equals 100.0, was higher for Oregon than the nation. The U.S. employment index has now declined for the past six months (see accompanying graph).

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



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OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

				CHANGE FROM	
INDUSTRY	DEC. 1/ 1990	NOV. 2/ 1990	DEC. 1989	NOV. 1990	DEC. 1989
TOTAL 5/	1,260,000	1,265,600	1,230,100	- 5,600	29,900
WAGE & SALARY EMPLOYMENT INDEX 6/	133.7	133.4	130.5	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	261,000	265,400	262,700	- 4,400	- 1,700
SERVICE PRODUCING INDUSTRIES 8/	999,000	1,000,200	967,400	- 1,200	31,600
TOTAL MANUFACTURING	210,000	212,400	216,200	- 2,400	- 6,200
DURABLE GOODS	152,000	152,900	159,100	- 900	- 7,100
LUMBER & WOOD PRODUCTS	58,800	59,400	66,700	- 600	- 7,900
LOGGING	10,400	10,500	11,400	- 100	- 1,000
SAWMILLS	19,300	19,400	22,800	- 100	- 3,500
VENEER & PLYWOOD	12,100	12,500	15,900	- 400	- 3,800
MILLWORK & STRUCTURAL WOOD	10,600	10,600	10,500	0	100
MOBILE HOMES	2,200	2,100	1,900	100	300
OTHER WOOD PRODUCTS	4,200	4,300	4,200	- 100	0
FURNITURE AND FIXTURES	3,000	3,000	2,900	0	100
STONE, CLAY, GLASS & CONCRETE	4,200	4,400	4,200	- 200	0
PRIMARY METALS	11,600	11,700	11,300	- 100	300
BLAST FURNACES, IRON & STEEL 9/	6,100	6,100	5,800	0	300
NONFERROUS METALS 9/	5,500	5,600	5,500	- 100	0
FABRICATED METALS	11,500	11,700	11,800	- 200	- 300
FABRICATED STRUCTURAL METALS	4,900	5,200	4,900	- 300	0
OTHER FABRICATED METALS	6,600	6,500	6,900	100	- 300
MACHINERY	16,600	17,000	17,800	- 400	- 1,200
OFFICE & COMPUTING MACHINES	4,400	4,600	4,700	- 200	- 300
OTHER MACHINERY	12,200	12,400	13,100	- 200	- 900
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,300	17,300	16,400	0	900
TRANSPORTATION EQUIPMENT	14,000	13,600	12,100	400	1,900
INSTRUMENTS & RELATED PRODUCTS 9/	11,400	11,100	12,200	300	- 800
MISCELLANEOUS MANUFACTURING	3,600	3,700	3,700	- 100	- 100
NONDURABLE GOODS	58,000	59,500	57,100	- 1,500	900
FOOD & KINDRED PRODUCTS	22,500	23,800	21,500	- 1,300	1,000
CANNING & PRESERVING	11,100	12,100	10,300	- 1,000	800
OTHER FOOD PRODUCTS	11,400	11,700	11,200	- 300	200
TEXTILE MILL PRODUCTS	1,700	1,700	1,800	0	- 100
APPAREL	2,600	2,600	2,800	0	- 200
PAPER & ALLIED PRODUCTS	9,100	9,100	9,100	0	0
PRINTING & PUBLISHING	14,300	14,400	14,000	- 100	300
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,200	0	100
PETROLEUM & ASPHALT PRODUCTS	500	500	400	0	100
RUBBER & PLASTIC PRODUCTS	4,500	4,600	4,800	- 100	- 300
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,050,000	1,053,200	1,013,900	- 3,200	36,100
MINING & QUARRYING	1,300	1,500	1,400	- 200	- 100
CONSTRUCTION	49,700	51,500	45,100	- 1,800	4,600
BUILDING CONSTRUCTION	11,400	11,700	11,100	- 300	300
HEAVY CONSTRUCTION	5,700	6,200	5,400	- 500	300
SPECIAL TRADE CONTRACTORS	32,600	33,600	28,600	- 1,000	4,000
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	64,200	64,600	65,200	- 400	- 1,000
TRANSPORTATION	43,000	43,400	43,800	- 400	- 800
RAILROAD	3,700	3,800	3,800	- 100	- 100
TRUCKING & WAREHOUSING	24,700	24,800	25,700	- 100	- 1,000
OTHER TRANSPORTATION	14,600	14,800	14,300	- 200	300
COMMUNICATIONS	12,300	12,300	12,500	0	- 200
UTILITIES	8,900	8,900	8,900	0	0
TRADE	333,000	330,100	324,800	2,900	8,200
WHOLESALE TRADE	83,300	83,700	80,500	- 400	2,800
DURABLE GOODS	48,300	48,300	46,900	0	1,400
MACHINERY, EQUIPMENT, & SUPPLIES	11,300	11,300	11,000	0	300
OTHER DURABLE GOODS	37,000	37,000	35,900	0	1,100
NONDURABLE GOODS	35,000	35,400	33,600	- 400	1,400
GROCERIES & RELATED PRODUCTS	13,600	13,800	13,300	- 200	300
OTHER NONDURABLE GOODS	21,400	21,600	20,300	- 200	1,100
RETAIL TRADE	249,700	246,400	244,300	3,300	5,400
BUILDING MATERIALS & GARDEN SUPPLIES	9,300	9,400	8,500	- 100	800
GENERAL MERCHANDISE	34,400	32,200	34,600	2,200	- 200
FOOD STORES	41,600	41,800	41,200	- 200	400
AUTO DEALERS & SERVICE STATIONS	29,200	29,100	28,900	100	300
APPAREL & ACCESSORY STORES	11,500	10,900	11,200	600	300
FURNITURE & HOME FURNISHINGS	10,100	9,900	10,100	200	0
EATING & DRINKING PLACES	85,900	86,600	82,400	- 700	3,500
MISCELLANEOUS RETAIL	27,700	26,500	27,400	1,200	300
FINANCE, INSURANCE, & REAL ESTATE	77,800	77,400	75,400	400	2,400
FINANCE	28,000	28,000	28,000	0	0
INSURANCE	22,300	22,200	22,000	100	300
REAL ESTATE	27,500	27,200	25,400	300	2,100
SERVICES	296,500	296,400	281,100	100	15,400
HOTELS & OTHER LODGING PLACES	18,500	19,100	17,700	- 600	800
PERSONAL SERVICES	10,900	11,100	10,700	- 200	200
BUSINESS SERVICES	48,100	47,700	45,600	400	2,500
AUTOMOTIVE & MISC. REPAIR SERVICES	15,700	15,500	15,200	200	500
MOTION PICTURES & AMUSEMENTS	15,000	13,500	13,700	1,500	1,300
HEALTH SERVICES	88,800	88,600	84,100	200	4,700
LEGAL SERVICES	8,900	8,900	8,600	0	300
PRIVATE EDUCATION	16,100	17,100	14,600	- 1,000	1,500
SOCIAL SERVICES	26,600	26,700	25,500	- 100	1,100
ENGINEERING & MANAGEMENT SERVICES	20,600	20,600	19,100	0	1,500
OTHER SERVICES & NEC	27,300	27,600	26,300	- 300	1,000
GOVERNMENT	227,500	231,700	220,900	- 4,200	6,600
FEDERAL GOVERNMENT	31,700	32,400	32,900	- 700	- 1,200
STATE GOVERNMENT	61,700	62,400	59,600	- 700	2,100
EDUCATION	26,300	26,800	25,500	- 500	800
OTHER STATE	35,400	35,600	34,100	- 200	1,300
LOCAL GOVERNMENT	134,100	136,900	128,400	- 2,800	5,700
EDUCATION	85,300	86,900	82,000	- 1,600	3,300
OTHER LOCAL	48,800	50,000	46,400	- 1,200	2,400
LABOR-MANAGEMENT DISPUTES 10/	0	0	400	0	- 400

OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	DEC.1/ 1990	NOV.2/ 1990	DEC. 1989	CHANGE FROM NOV. 1990	CHANGE FROM DEC. 1989
CIVILIAN LABOR FORCE 3/	1,497,500	1,514,600	1,459,500	- 17,100	38,000
UNEMPLOYMENT	90,000	84,700	76,800	5,300	13,200
PERCENT OF LABOR FORCE	6.0	5.6	5.3	XXX	XXX
SEASONALLY ADJUSTED PERCENT	6.3	6.0	5.6	XXX	XXX
TOTAL EMPLOYMENT 4/	1,407,500	1,429,900	1,382,700	- 22,400	24,800

1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

Year-to-year job growth, however, continues to weaken for both Oregon and the nation. Nonfarm payroll employment in December was 29,900 above one year ago, the smallest annual job gain for Oregon in the last four years. Despite this slower pace, nonfarm employment was 2.4% above a year ago, a rate which compares very well with most other states as well as the 0.7% national increase over the same period.

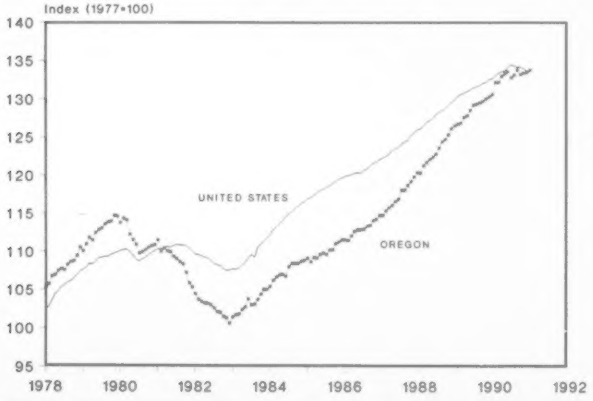
December's apparent improvement in the state's job picture reflected fewer layoffs than expected in food and kindred products and construction, two industries that typically have large seasonal job losses in December. In addition, employment trends in services and retail trade were stronger than expected. In fact, general merchandise stores reported the largest November to December employment increase (+2,200) since 1978! Many retailers were slow to add staff in November due to economic worries and the desire to keep a tight rein on their costs. December's strong hiring reflected a delayed response by both consumers and retailers. Also, many stores resorted to heavy pre-Christmas sales promotions to generate more business.

The services sector also performed well in December led by strong gains in amusement and recreational services, especially ski resorts which enjoyed a banner month.

Weak employment areas in December were mainly confined to government (layoffs of temporary elections workers and school employees), transportation (soaring energy costs and a slowing economy), and various manufacturing industries. Job losses in the state's ailing lumber and wood products industry were more moderate in December than in recent months, but seasonally adjusted employment still declined for the ninth straight month. In the past 12 months, nearly 8,000 timber industry workers have lost their jobs. No other industry even comes close to matching this employment drop.

But despite the dismal performance of the state's most important manufacturing industry over the past year and the overall deterioration in economic conditions since Iraq invaded Kuwait last August, 1990 was a fairly good year. Although annual averages mask serious regional disparities between the more diversified metropolitan area economies and timber-dependent rural areas, nonfarm payroll employment statewide rose by 3.3% in 1990, an increase of about 40,000 jobs. Virtually all of the state's major industries, with the notable exception of lumber and wood products, added more workers. Oregon's booming construction industry experienced the fastest expansion (+9.5%) helped by strong population growth (+53,000, or 1.9%) and a continued surge in single-family home construction. Even manufacturing managed to add jobs last year despite heavy layoffs in lumber and wood products. Factory sectors that fared the best were food products, transportation equipment, and electronic equipment. As usual, the service-producing industries (i.e., everything except manufacturing, mining, and construction) added nearly 90% of all new nonfarm payroll jobs last year.

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



It should be noted that all of these annual changes are based on preliminary estimates. Employment Division research staff are now in the process of making annual benchmark revisions to the industry employment estimates for 1989 and 1990. This primarily involves replacing original sample-based employment estimates with more accurate data from employers' unemployment insurance tax reports. Although this process will not be completed until next month, it appears that Oregon's payroll employment growth over the past year and a half has been a little weaker than originally estimated. Upward employment revisions are most likely in services (especially business services); construction; and finance, insurance, and real estate. Wholesale and retail trade (especially food stores and eating/drinking places), however, appear to have grown much more slowly. We'll have more on the effects of the annual revisions in next month's issue of *Oregon Labor Trends* when the new industry employment series are adopted.

> ***. . . the gap between the "Two Oregons" is likely to grow much worse in the next few years.***

Oregon's 1990 labor force and unemployment estimates will also undergo year-end revisions within the next month. Although preliminary data show a dramatic increase in unemployment between the first half (5.0%) and second half (5.9%) of 1990, the average for the full year (5.5%) is not only two-tenths of a point below 1989 but is also the lowest jobless rate Oregon has experienced in over 30 years! A major problem, however, is the wide disparity in unemployment and economic conditions between local areas. For example, preliminary average unemployment rates for 1990 ranged from lows of 3.2% (Gilliam), 3.8% (Benton), and 4.2% (Portland area) to highs of 10.8% (Wheeler), 9.2% (Klamath), and 9.0% (Lake). Considering the poor outlook for many of Oregon's timber-dependent communities, the gap between the "Two Oregons" is likely to grow much worse in the next few years.

What's Ahead For 1991?

Before the Persian Gulf war erupted in mid-January, the economic outlook for 1991 called for a short, mild recession nationally ending sometime this spring. Reasons for this rather optimistic assessment included:

- expectations of a peaceful solution to the Middle East crisis in early 1991 (Strike One!)
- a much less severe oil price shock than in previous recessions due to plentiful world oil supplies and reduced demand (so far . . . so good)
- lower core inflation (i.e., excluding food and energy) now compared with the start of previous recessions (a big plus)
- inventories are unusually low, so a major inventory correction is not likely
- Japan and Germany, two key U.S. trading partners, are not expected to suffer recessions
- the weak dollar helps U.S. exports and tends to reduce imports
- and higher defense spending associated with Operation Desert Shield offsets some of the weakness in the domestic economy

Along with this scenario was the assumption that the Federal Reserve would continue to stimulate the economy with lower interest rates and other measures designed to ease the "credit crunch." This latter problem refers to the inability or unwillingness of many banks to make new loans until they improve their own financial health which has been battered by the savings and loan fiasco, declining asset values (especially real estate), and rising loan delinquencies.

Fiscal policy is assumed to be of little to no help in combating the recession since the federal budget deficit is already ballooning to a new record high and is way "out of synch" with the economy. Furthermore, last fall's congressional budget compromise calls for higher taxes and "reduced" spending over the next several years (unless a recession occurs which could serve as an "escape clause" to the agreement).

The pre-war outlook for the nation's labor market was a couple of quarters of declining employment, reduced labor force participation for many discouraged workers (mostly teenagers), and a modest rise in unemployment to about 6.5% in 1991, followed by slow improvement in 1992 (6.4%) and 1993 (6.2%). The weak economy coupled with a peaceful settlement in the Middle East and subsequent sharp drop in oil prices to near the $20 per barrel range would prevent the development of a wage-price spiral.

Prior to January, the outlook for Oregon also called for a sharp slowdown in economic growth, including a couple of quarters of declining employment and very little (+0.2%) employment gain for 1991. Historically, Oregon is very sensitive to national economic conditions. Although this sensitivity may be lessening due to Oregon's more diversified economy, it is still great.

The main negatives for Oregon in 1991 were expected to be the timber industry (-5,400 jobs) reflecting both lower demand for wood products and reduced timber supplies; construction (-3,600 jobs) due in part to a 20% drop in housing starts following a two-year boom; diversified manufacturing (especially metals, nonelectrical machinery, and scientific instruments) reflecting lower capital spending and business investment nationally; and much slower growth in the various service-producing sectors including trade, services, and government. Reasons for this slowdown include reduced confidence and purchasing power of consumers, multiplier effects from layoffs in other industries, the need to control costs and boost productivity, and expected impacts from voters' approval of Ballot Measure 5. This new law will begin to slash local property taxes in mid-1991 and transfer much of the responsibility for funding local schools to the state government. Since no new revenue sources are likely for at least a year or two, state and local governments will be forced to streamline, reduce, and even eliminate some programs and services beginning in 1991. Employment levels throughout state and local government (perhaps including local schools depending on legislative action) will be affected by layoffs and attrition.

One new potential source of revenue is a sales tax and this option is already receiving much attention from public officials and the media. Whether or not voters will approve a sales tax if given the chance, the mere prospect that Oregon might adopt a sales tax in 1992 may put an immediate damper on further retail expansion, especially in the Portland area. Portland already benefits tremendously from its proximity to Washington which has one of the highest sales taxes in the nation. If this advantage is largely removed, retail sales and employment would surely suffer.

Oregon does have several positive factors, however, that will moderate the impact of the national recession. These include continued strong population growth (+1.8% projected in 1991) due mostly to net in-migration; Oregon's dependence on export markets which should benefit from the weak dollar; and our growing reliance on transfer payments which are primarily made up of retirement income which is not directly affected by economic conditions. In addition, Oregon's technology-based industries are likely to weather the recession relatively well, especially in light of the emphasis on new and emerging technologies and continued Japanese investment.

Oregon's jobless rate, currently at 6.3%, is likely to average close to 7% in 1991.

The net effect of all these factors is for a sharper slowdown in Oregon's economy in 1991 than nationally, partly because our growth has been so much stronger in the last several years. The construction industry, in particular, has been a major engine of growth ever since 1988. As building activity slows due to contract completions and a downturn in multi-family residential construction, employment in this industry is expected to fall in both 1991 and 1992. Even with big job losses in construction and the timber industry, however, total employment is likely to rise slightly in 1991. Since the state's labor force will be expanding faster than employment, the number of unemployed will increase. Oregon's jobless rate, currently at 6.3%, is likely to average close to 7% in 1991.

War Clouds Outlook

Economic prospects for both Oregon and the nation (not to mention the rest of the world) are now inextricably linked to the outcome of the war with Iraq. Although this is by no means the only problem affecting the outlook, it has moved to center stage due to its pervasive impact on the supply and price of oil, inflation, interest rates, consumer purchasing power, and the world economy in general.

To get an idea of how war may change the economic outlook, the WEFA Group, an East Coast economic consulting firm which provides national forecast advice to Oregon, recently developed two war scenarios. A "short war," assumed to take place in the first quarter of 1991, was considered to be more than twice as likely as a "long war," assumed to last 6 to 9 months. Highlights of the short war scenario are:

- Oil prices would jump to about $40 per barrel during the war (1Q91), then plummet to about $20 in the second quarter and beyond. (As of late January, oil prices are in the low $20s, but this could change quickly.)
- Consumer confidence, purchasing power, and the overall economy would be even weaker during the conflict.
- Following the war, economic recovery would be stronger than originally forecast as oil prices and inflation drop sharply and consumer sentiment and purchasing power rebound. Defense spending is also higher as the military replaces some of its losses.
- The nation's unemployment rate still peaks at about 6.5% this spring (with more discouraged workers dropping out of the labor force), but then declines faster following the war. Annual average unemployment for 1991 is only slightly lower (6.4% vs. 6.5% with no war), but then improves significantly in 1992 (5.9% vs. 6.4%) and 1993 (5.3% vs. 6.2%).

The "long war" scenario (6 to 9 months) takes a greater toll on the economy:

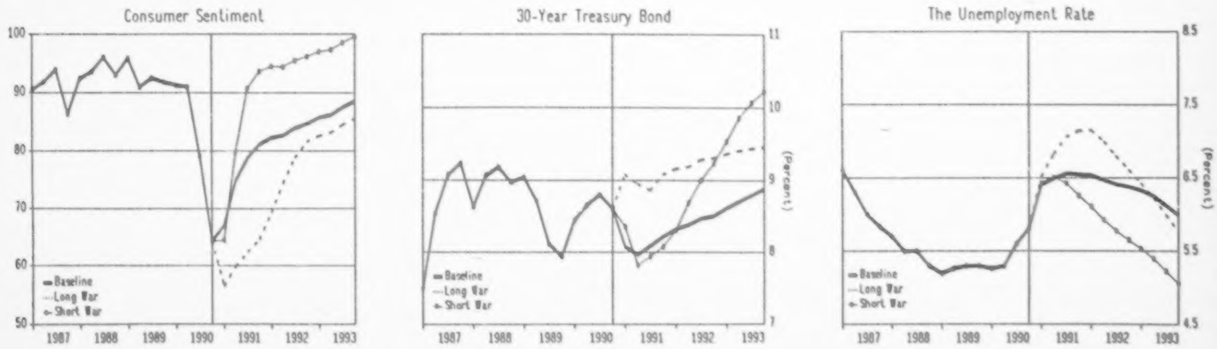
- Oil prices surge to nearly $50 per barrel and remain at or above $30 until 1992 when they stabilize at about $20 following the war.
- Consumer confidence and purchasing power is depressed further while defense spending and the federal budget deficit increase rapidly.
- Short-term interest rates are pushed even lower by the Fed to offset the deeper and longer recession, but long-term rates rise due to higher inflation in 1991 and the uncertainty about future oil supplies and economic conditions in general.
- The nation's unemployment rate climbs to a little over 7% in the second half of this year and in early 1992, averaging 6.9% in both years before declining to 6.1% in 1993.

For a quick comparison of the short and long war scenarios, look at the accompanying graphs prepared by the WEFA Group.

The impact of these two war scenarios on Oregon's economic outlook would probably be very similar. A lengthy war would be especially bad for Oregon due to higher inflation, long-term interest rates, and oil prices; our distance from major markets; weaker construction activity nationally which would further depress the timber industry; reduced exports and imports; and our low dependence on defense spending. Under the long war scenario, Oregon's unemployment could average between 7 and 8 percent in both 1991 and 1992.

So where does this leave us? With the current situation in the Mideast so volatile and uncertain, the range of economic possibilities for the next year or two are unusually great. At the very least, it looks like Oregon's economic and employment growth will slow to a crawl in 1991 and unemployment will climb toward and perhaps over 7%. Beyond that, the outlook gets as murky as a barrel of oil depending upon the course of the war. Welcome to the global economy! ☐

Alternative Scenarios — Long and Short War



MINIMUM WAGE RISES

Effective January 1, 1991, Oregon has a new minimum wage of $4.75 per hour. This supplants the previous statutory minimum of $4.25 per hour which has been in effect since January 1990. While $4.75 per hour may not seem like much, it is 25% higher than the federal minimum wage.

Additionally, for the first four months of 1991, Oregon will have the distinction of possessing the highest minimum wage of any state in the nation (the "maximum minimum" if you will). Wyoming, on the other hand, has the lowest minimum wage of any state ($1.60 per hour), and this figure has remained unchanged since 1976. It should be noted that many states will increase their minimum wages on April 1, 1991, at which time Alaska's minimum wage will rise to equal Oregon's.

The federal minimum wage, currently at $3.80, is scheduled to rise to $4.25 on April 1, 1991. However, since Oregon's minimum wage is currently higher, all Oregon employers except the federal government are covered by the state's minimum wage law.

Among the primary beneficiaries of Oregon's minimum wage increase will be entry-level workers in the following industries:

- eating and drinking places
- gasoline service stations
- retail stores
- lodging places
- nursing homes
- food processing plants
- agriculture
- student employees of colleges

For more information on Oregon's minimum wage law, contact the Wage and Hour Division of the Bureau of Labor and Industries in Portland (phone 229-5735) or any of the Bureau's field offices. ☐

STATE OF OREGON UNEMPLOYMENT RATES BY AREA

December 1990

⑤

	Civilian Labor Force	Total Employment	Unemployment	Rate[1]
State of Oregon	1,497,500	1,407,500	90,000	6.0
Eugene MSA[2]	150,300	140,400	9,900	6.6
Medford MSA[3]	74,750	69,080	5,670	7.6
Portland PMSA[4]	693,900	664,100	29,800	4.3
Salem MSA[5]	138,000	129,300	8,700	6.3
Baker	6,830	6,250	580	8.5
Benton	39,410	37,610	1,800	4.6
Clatsop	18,460	17,220	1,240	6.7
Columbia	17,560	16,280	1,280	7.3
Coos	27,320	24,540	2,780	10.2
Crook	7,180	6,710	470	6.5
Curry	9,490	8,820	670	7.1
Deschutes	43,680	40,520	3,160	7.2
Douglas	46,770	41,120	5,650	12.1
Gilliam	990	970	20	2.0
Grant	4,280	3,970	310	7.2
Harney	4,100	3,770	330	8.0
Hood River	9,240	8,550	690	7.5
Jefferson	6,910	6,390	520	7.5
Josephine	26,640	24,310	2,330	8.7
Klamath	25,480	23,000	2,480	9.7
Lake	3,820	3,440	380	9.9
Lincoln	19,520	18,230	1,290	6.6
Linn	43,390	39,440	3,950	9.1
Malheur	12,280	11,580	700	5.7
Morrow	3,370	3,070	300	8.9
Sherman	710	670	40	5.6
Tillamook	9,440	8,740	700	7.4
Umatilla	28,770	26,490	2,280	7.9
Union	11,320	10,610	710	6.3
Wallowa	3,670	3,400	270	7.4
Wasco	9,270	8,360	910	9.8
Wheeler	610	540	70	11.5

[1] *Not Seasonally Adjusted*

[2] *Lane County*

[3] *Jackson County*

[4] *Clackamas, Multnomah, Washington, Yamhill counties*

[5] *Marion and Polk counties*

MINIMUM WAGES UNDER STATE LAW EFFECTIVE JANUARY 1, 1991

Federal (FLSA)	$3.80
Alabama	—
Alaska	4.30
Arizona	—
Arkansas	3.35
California	4.25
Colorado	3.00
Connecticut	4.25
Delaware	3.80
Florida	—
Georgia	3.25
Hawaii	3.85
Idaho	2.30
Illinois	3.80
Indiana	2.00
Iowa	4.25
Kansas	2.65
Kentucky	3.35
Louisiana	—
Maine	4.25
Maryland	3.80
Massachusetts	3.75
Michigan	3.35
Minnesota	3.95 & 3.80
Mississippi	—
Missouri	—
Montana	3.80
Nebraska	3.35
Nevada	3.80
New Hampshire	3.85
New Jersey	3.35
New Mexico	3.35
New York	3.35
North Carolina	3.35
North Dakota	3.40
Ohio	2.30
Oklahoma	3.80
Oregon	4.75
Pennsylvania	3.80
Rhode Island	4.25
South Carolina	—
South Dakota	3.35
Tennessee	—
Texas	3.35
Utah	3.80
Vermont	3.85
Virginia	2.65
Washington	4.25
West Virginia	3.35
Wisconsin	3.65
Wyoming	1.60

Source:

Division of State Standards Programs, Wage and Hour Division, Employment Standards Administration, U.S. Dept. of Labor

MISSION, GOALS AND VALUES

Pamela Mattson

(Editor's note: Pamela Mattson is the Administrator of the Oregon Employment Division.)

The Employment Division has just gone through an inclusive process involving all parts of the agency to set its mission, goals, and values.

It began in March 1990 when employees from all segments of the division met to establish a 60-Day Agenda made up of items that needed to be accomplished to make the agency more efficient and productive. The group also set goals for the division, priorities that it should seek to accomplish in the new decade. This became its Leadership Map of the '90s.

From that effort, a core group of team leaders began meeting to go through the process of writing the agency's mission, goals, and values. It was not an easy task — taking words, concepts, and ideas and translating them into the framework for the division. Numerous rewrites took place and input was received from all levels to make sure the words really said what employees meant.

The document was unveiled at Charting Our Course Day on November 27 where managers and employees from all parts of the division gathered along with special guests including Governor-elect Barbara Roberts to talk about what the words mean and how they will be put into place. Here is a sampling of the document:

"The mission of the Employment Division is to promote employment of Oregonians through development of a diversified, multi-skilled work force while providing support during periods of unemployment."

> ***"The mission of the Employment Division is to promote employment of Oregonians through development of a diversified, multi-skilled work force while providing support during periods of unemployment."***

It should not be understated that this is an enormous task and one that should not be taken lightly. In order to accomplish this mission, the division has focused on three key goals:

- assist Oregonians in finding jobs that make the optimum match of their skills to employers' requirements;
- sustain Oregonians in their communities during times of unemployment through timely delivery of accessible

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

④

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Nov.[2] 1990	Oct.[3] 1990	Nov. 1989	Nov.[2] 1990	Oct.[3] 1990	Nov. 1989	Nov.[2] 1990	Oct.[3] 1990	Nov. 1989
TOTAL MANUFACTURING[4]	$442.91	$452.40	$422.37	39.3	40.0	39.0	$11.27	$11.31	$10.83
Durable Goods	443.74	465.41	429.55	39.2	40.4	39.3	11.32	11.52	10.93
Lumber & Wood Products	427.08	436.36	430.34	38.2	39.1	38.7	11.18	11.16	11.12
Logging & Sawmills	451.79	474.00	457.82	37.4	39.5	38.7	12.08	12.00	11.83
Veneer & Plywood	409.64	410.13	423.26	38.0	37.8	39.3	10.78	10.85	10.77
Millwork & Structural	375.25	374.14	359.67	39.5	39.3	37.9	9.50	9.52	9.49
Mobile Homes	394.13	378.68	365.88	40.8	40.2	39.3	9.66	9.42	9.31
Other Wood Products	446.29	432.00	429.39	39.6	40.0	38.1	11.27	10.80	11.27
Furniture & Fixtures	373.12	389.38	386.54	37.2	38.1	38.5	10.03	10.22	10.04
Primary Metals	544.32	526.61	506.72	42.0	41.4	41.5	12.96	12.72	12.21
Fabricated Metals	410.94	413.03	401.56	39.1	39.6	39.1	10.51	10.43	10.27
Machinery (Ex Electrical)	439.48	445.36	443.69	39.1	39.8	39.9	11.24	11.19	11.12
Nondurable Goods	441.94	419.64	401.96	39.6	39.0	38.1	11.16	10.76	10.55
Food & Kindred Products	358.11	339.58	326.16	38.3	37.9	36.2	9.35	8.96	9.01
Canning & Preserving	304.81	294.38	269.35	37.4	37.5	34.4	8.15	7.85	7.83
Other Food Products	428.87	420.28	412.23	39.6	38.7	39.0	10.83	10.86	10.57
Textile Mill Products	283.08	294.58	260.98	39.1	40.8	36.5	7.24	7.22	7.15
Apparel	274.25	261.85	269.84	38.9	37.3	40.7	7.05	7.02	6.63
Paper & Allied Products	675.21	656.78	636.00	42.6	41.7	42.4	15.85	15.75	15.00
Printing & Publishing	497.62	492.96	441.97	39.4	39.0	36.8	12.63	12.64	12.01
Construction[4]	572.57	608.30	554.30	36.4	38.5	36.3	15.73	15.80	15.27
Communications & Utilities[5]	581.81	586.70	543.66	40.8	40.8	41.0	14.26	14.38	13.26
Trade[5]	325.77	322.85	317.28	34.4	34.2	34.3	9.47	9.44	9.25
Wholesale Trade	433.17	431.66	428.96	37.7	38.2	38.3	11.49	11.30	11.20
Retail Trade	271.91	266.94	261.95	32.8	32.2	32.3	8.29	8.29	8.11
Banking & Insurance[5]	369.82	361.24	341.77	36.4	36.6	35.9	10.16	9.87	9.52
State & Local Government	413.32	416.69	399.63						

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[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.*

services and benefits;

- help people move to higher levels of employment by assisting their career development and providing up-to-date job market information.

These three goals focus on the key elements of the Employment Division — Employment Service, Unemployment Insurance, and Labor Market Information. All three are integral in accomplishing the agency's mission and play key roles.

In order to accomplish these goals the division has focused on four key areas: customer service, employer service, future work force, and employee growth. We have set forth specific targets by which to meet these goals — from better serving customers by streamlining, creating new services, and using current technology to placing top priority on staff training.

A set of values was also listed centering on commitments to customers, the public, the organization, and to each other. These values are the core of the "way we do business around here." They run the gamut from respecting the users of our services as valued customers, upholding the highest ethical standards in all we do, and making the division a model work place to building a work environment that allows free expression of opinions, suggestions, and complaints.

Some of these concepts will be easily achieved; others will take time to accomplish. But the point is that the agency now has a road map to follow, a direction pointing toward where it should go and, through these words, a means of getting there. Although those who put together this document would disagree, the hard part is facing the division now — putting this document into actions.

That process has begun. With the division's mission, goals, and values in place the standards now exist by which the agency chooses to be measured today and in the future. ☐

JSEC SEMINARS

IN THE WORKPLACE
CULTURAL DIVERSITY
Portland Travel Lodge
Portland, Oregon
February 14 . . . 8:00 a.m. - 11:30 a.m.
Call Jerry Fugere, phone 280-6004
or Martin Burrows, North Portland
Employment Division, phone 280-6046

PERFORMANCE APPRAISALS —
THAT WORK
Chumaree Comfortel
Salem, Oregon
February 14 . . . 7:30 a.m. - 11:45 a.m.
Call Brenda Shepherd, phone 378-4543
or Laverna Bauguess, phone 472-5118

MANAGING CHANGE
Holiday Inn, South
Wilsonville, Oregon
February 20 . . . 7:15 a.m. - 11:30 a.m.
Call Cathie Moravec or Jerry Howard,
phone 657-2078

OREGON CAREERS

Technological and workplace changes have increased the need for career planning and sound decision-making. *Oregon Careers 1991* is a tabloid newspaper now available through the Employment Division that tracks the state's economy and changing labor force.

"Oregon Careers" is published annually to assist citizens of all ages who are making career plans and decisions. It includes employment outlook, wages, educational requirements, and sources of training for nearly 300 major occupations in the state. Other articles describe a variety of job search techniques and resources or programs that can assist Oregonians to prepare for their first or latest occupation.

Copies of "Oregon Careers" are routinely distributed to high schools, community colleges, Job Training Partnership offices, and Employment Division offices. Additional copies may be obtained by contacting Susan Bell, Research and Statistics Section, Employment Division, 875 Union Street NE, Salem, Oregon 97311. Telephone 378-6400 or toll free 800-237-3710 ext. 8-6400. ☐

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STATE OF OREGON

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DEPARTMENT OF HUMAN RESOURCES
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SALEM, OREGON 97311

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OREGON LABOR TRENDS

MARCH 1991

State of Oregon • Employment Division • Department of Human Resources

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Jan.	1991	5.9
Dec.	1990	6.3
Jan.	1990	5.1

United States (Seas. Adj.)

Jan.	1991	6.2
Dec.	1990	6.1
Jan.	1990	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Jan.	1991	134.7
Dec.	1990	133.9
Nov.	1990	134.0
Oct.	1990	133.9
Sept.	1990	133.6

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

Dec.	1990	$11.33
Nov.	1990	$11.25
Dec.	1989	$11.02

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Dec.	1990	40.0
Nov.	1990	39.2
Dec.	1989	40.0

CONSUMER PRICE INDEX (CPI)
1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver	
July-Dec. 1990	129.8
Yearly change	6.7%
Annual Average 1990	127.4
Yearly change	5.8%
United States	
Jan. 1991	134.6
Yearly change	5.7%
Annual Average 1990	130.7
Yearly change	5.4%

Portland Hotline 326-4132

HART AND SOLE

Duane Ackerson

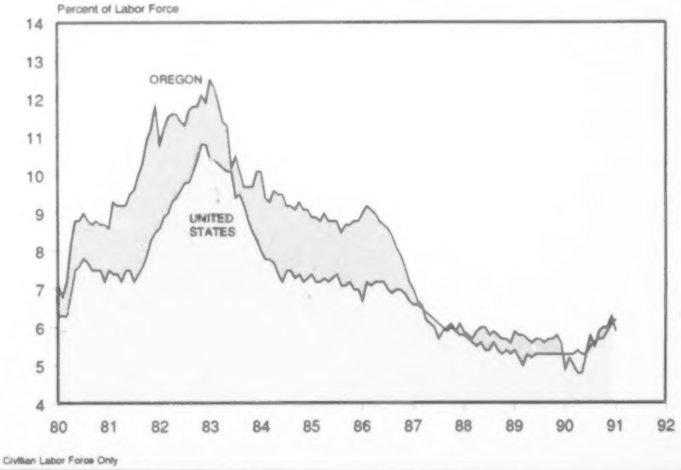
> *The stag(flation)at eve had drunk its full.*
> *Sir Walter(Galbraith)Scott*

In my dream I saw the mythic beast *Stagflation*, half deer and half balloon, half recession and half inflation, half sense and half nonsense. Having drunk its full of our credulity, it was now seated at the piano. And it was playing with *both* sets of hooves, one set rendering "Heart and Soul," the other, "Chopsticks." The sound of the music kept receding the harder I listened, but the creature was also growing, its balloon-like body swelling outward, its antlers coming uncomfortably near. Just as things were looking dangerous—the creature was either going to explode or impale me on whatever points it was trying to make—I woke up, just like the twist at the end of an amateur writer's first short story, and discovered that while I was sleeping, someone had delivered the news of the month just past in a heart-shaped box:

While Oregon's economy took a positive tack, with a 0.4 decrease in the unemployment rate from 6.3% in December to 5.9% in January, most of the country had little cause to rejoice. The national rate, in contrast with Oregon's, rose slightly in January, up 0.1 to 6.2%.

The news about employment in Oregon was also good. Though, as is usually the case in January, nearly all major industries declined in employment, in most cases the declines were less than could have been anticipated based on seasonal patterns alone. As is usual for this time of year, certain activities like construction, food processing, and wood products manufacturing slowed down. Retail and wholesale trade also fell back from their previous high levels of accelerated holiday activity. Government, with schools in full session, is the only major industry where January employment is normally higher than the average for the year. Overall, wage and salary employment was up 24,700 from January 1990.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



Civilian Labor Force Only

OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	JAN.1/ 1991	DEC.2/ 1990	JAN. 1990	CHANGE FROM	
				DEC. 1990	JAN. 1990
TOTAL 5/	1,231,200	1,260,100	1,206,500	- 28,900	24,700
WAGE & SALARY EMPLOYMENT INDEX 6/	134.7	133.9	131.9	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	258,100	264,500	261,700	- 6,400	- 3,600
SERVICE PRODUCING INDUSTRIES 8/	973,100	995,600	944,800	- 22,500	28,300
TOTAL MANUFACTURING	207,900	210,200	215,000	- 2,300	- 7,100
DURABLE GOODS	150,000	151,500	158,800	- 1,500	- 8,800
LUMBER & WOOD PRODUCTS	56,500	57,500	65,500	- 1,000	- 9,000
LOGGING	9,400	9,700	11,000	- 300	- 1,600
SAWMILLS	19,600	19,700	22,500	- 100	- 2,900
VENEER & PLYWOOD	11,600	11,900	15,800	- 300	- 4,200
MILLWORK & STRUCTURAL WOOD	9,800	10,100	10,400	- 300	- 600
MOBILE HOMES	2,200	2,200	1,800	0	400
OTHER WOOD PRODUCTS	3,900	3,900	4,000	0	- 100
FURNITURE AND FIXTURES	2,900	3,000	3,000	- 100	- 100
STONE, CLAY, GLASS & CONCRETE	4,100	4,200	4,100	- 100	0
PRIMARY METALS	11,300	11,300	11,000	0	300
BLAST FURNACES, IRON & STEEL 9/	5,800	5,800	5,600	0	200
NONFERROUS METALS 9/	5,500	5,500	5,400	0	100
FABRICATED METALS	11,200	11,300	11,800	- 100	- 600
FABRICATED STRUCTURAL METALS	4,800	4,800	4,900	0	- 100
OTHER FABRICATED METALS	6,400	6,500	6,900	- 100	- 500
MACHINERY	16,800	16,700	17,800	100	- 1,000
OFFICE & COMPUTING MACHINES	4,200	4,200	4,500	0	- 300
OTHER MACHINERY	12,600	12,500	13,300	100	- 700
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,700	17,700	17,000	0	700
TRANSPORTATION EQUIPMENT	13,600	14,000	12,400	- 400	1,200
INSTRUMENTS & RELATED PRODUCTS 9/	12,000	11,900	12,500	100	- 500
MISCELLANEOUS MANUFACTURING	3,900	3,900	3,700	0	200
NONDURABLE GOODS	57,900	58,700	56,200	- 800	1,700
FOOD & KINDRED PRODUCTS	21,800	22,500	20,600	- 700	1,200
CANNING & PRESERVING	10,200	10,600	9,600	- 400	600
OTHER FOOD PRODUCTS	11,600	11,900	11,000	- 300	600
TEXTILE MILL PRODUCTS	1,500	1,600	1,700	- 100	- 200
APPAREL	2,900	2,900	2,800	0	100
PAPER & ALLIED PRODUCTS	9,200	9,200	9,000	0	200
PRINTING & PUBLISHING	14,400	14,400	13,900	0	500
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,300	0	0
PETROLEUM & ASPHALT PRODUCTS	600	600	500	0	100
RUBBER & PLASTIC PRODUCTS	4,700	4,700	4,900	0	- 200
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,023,300	1,049,900	991,500	- 26,600	31,800
MINING & QUARRYING	1,600	1,600	1,300	0	300
CONSTRUCTION	48,600	52,700	45,400	- 4,100	3,200
BUILDING CONSTRUCTION	11,600	12,200	11,900	- 600	- 300
HEAVY CONSTRUCTION	6,200	6,800	5,300	- 600	900
SPECIAL TRADE CONTRACTORS	30,800	33,700	28,200	- 2,900	2,600
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	63,200	64,300	63,100	- 1,100	100
TRANSPORTATION	42,300	43,200	41,700	- 900	600
RAILROAD	3,700	3,700	3,800	0	- 100
TRUCKING & WAREHOUSING	24,000	25,000	23,800	- 1,000	200
OTHER TRANSPORTATION	14,600	14,500	14,100	100	500
COMMUNICATIONS	12,100	12,200	12,500	- 100	- 400
UTILITIES	8,800	8,900	8,900	- 100	- 100
TRADE	308,600	323,000	303,300	- 14,400	5,300
WHOLESALE TRADE	80,300	81,100	76,200	- 800	4,100
DURABLE GOODS	46,100	46,500	44,400	- 400	1,700
MACHINERY, EQUIPMENT, & SUPPLIES	10,800	10,800	10,500	0	300
OTHER DURABLE GOODS	35,300	35,700	33,900	- 400	1,400
NONDURABLE GOODS	34,200	34,600	31,800	- 400	2,400
GROCERIES & RELATED PRODUCTS	13,300	13,500	12,000	- 200	1,300
OTHER NONDURABLE GOODS	20,900	21,100	19,800	- 200	1,100
RETAIL TRADE	228,300	241,900	227,100	- 13,600	1,200
BUILDING MATERIALS & GARDEN SUPPLIES	8,600	8,800	7,700	- 200	900
GENERAL MERCHANDISE	29,300	33,900	31,300	- 4,600	- 2,000
FOOD STORES	38,400	39,300	38,000	- 900	400
AUTO DEALERS & SERVICE STATIONS	27,400	27,800	27,400	- 400	0
APPAREL & ACCESSORY STORES	10,400	11,300	9,700	- 900	700
FURNITURE & HOME FURNISHINGS	9,400	9,900	9,600	- 500	- 200
EATING & DRINKING PLACES	81,000	83,300	79,300	- 2,300	1,700
MISCELLANEOUS RETAIL	23,800	27,600	24,100	- 3,800	- 300
FINANCE, INSURANCE, & REAL ESTATE	79,900	80,400	76,100	- 500	3,800
FINANCE	28,500	28,400	28,300	100	200
INSURANCE	22,900	23,000	22,300	- 100	600
REAL ESTATE	28,500	29,000	25,500	- 500	3,000
SERVICES	296,500	300,800	282,800	- 4,300	13,700
HOTELS & OTHER LODGING PLACES	18,100	18,900	17,000	- 800	1,100
PERSONAL SERVICES	10,800	10,900	10,900	- 100	- 100
BUSINESS SERVICES	49,100	50,100	48,000	- 1,000	1,100
AUTOMOTIVE & MISC. REPAIR SERVICES	16,900	17,100	15,800	- 200	1,100
MOTION PICTURES & AMUSEMENTS	14,400	14,400	14,000	0	400
HEALTH SERVICES	86,400	86,700	83,000	- 300	3,400
LEGAL SERVICES	8,800	8,900	8,700	- 100	100
PRIVATE EDUCATION	16,200	17,200	14,800	- 1,000	1,400
SOCIAL SERVICES	27,800	28,000	26,100	- 200	1,700
ENGINEERING & MANAGEMENT SERVICES	21,300	21,400	19,200	- 100	2,100
OTHER SERVICES & NEC	26,700	27,200	25,300	- 500	1,400
GOVERNMENT	224,900	227,100	219,500	- 2,200	5,400
FEDERAL GOVERNMENT	31,600	32,400	31,700	- 800	- 100
STATE GOVERNMENT	61,200	61,700	59,500	- 500	1,700
EDUCATION	25,500	26,200	24,900	- 700	600
OTHER STATE	35,700	35,500	34,600	200	1,100
LOCAL GOVERNMENT	132,100	133,000	128,300	- 900	3,800
EDUCATION	84,200	85,000	81,700	- 800	2,500
OTHER LOCAL	47,900	48,000	46,600	- 100	1,300
LABOR-MANAGEMENT DISPUTES 10/	0	0	500	0	- 500

OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	JAN.1/ 1991	DEC.2/ 1990	JAN. 1990	CHANGE FROM DEC. 1990	CHANGE FROM JAN. 1990
CIVILIAN LABOR FORCE 3/	1,462,800	1,495,200	1,458,600	- 32,400	4,200
UNEMPLOYMENT	100,100	89,500	87,200	10,600	12,900
PERCENT OF LABOR FORCE	6.8	6.0	6.0	XXX	XXX
SEASONALLY ADJUSTED PERCENT	5.9	6.3	5.1	XXX	XXX
TOTAL EMPLOYMENT 4/	1,362,700	1,405,700	1,371,400	- 43,000	- 8,700

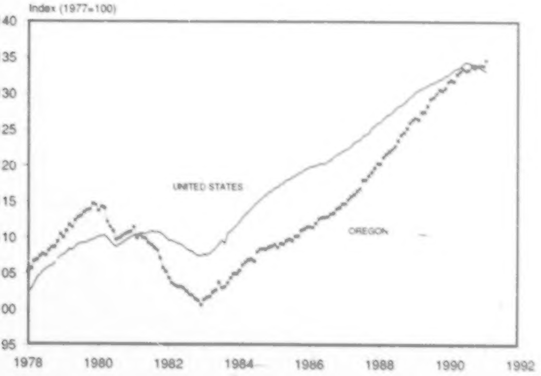
1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

However, looking back over the past two years, there are some signs of economic slowdown in Oregon as well as the nation as a whole. When annual average employment for the latest year was calculated, growth in total wage and salary employment in 1990 was 3.2%, compared with a revised growth rate of 4.6% for 1989. In 1989, employment grew by 53,400; in 1990, it increased by 38,700. One industry that performed particularly well in 1990 was construction, which grew by 13.9% from 1989 to 1990. The average annual employment in this industry for the year just past was 52,500, only a shade below the peak level of 53,000 in 1979. In the manufacturing sector, employment has barely budged year-to-year, increasing a scant 0.1% (+300) between 1989 and 1990, while non-manufacturing, at 3.9% (+38,400), did considerably better. Lumber and wood products, down by 3,700, was the most important industry group to show a decline; it was down -5.5% from 1989.

> ***. . . the state has a severe lack of affordable housing, especially for its poorer citizens.***

The performance of construction in Oregon is all the more impressive in the face of national trends in that industry. In her report to Congress on the month, BLS Commissioner Janet Norwood cited the January U.S. performance in construction as its worst in recent months, with employment down, after seasonal adjustment, by 155,000. In Oregon, though demand for housing, and prices, is high, driving construction employment up, there is a down side to the state picture in this industry. An article by Cheryl Martinis in the Dec. 9, 1990 *Oregonian* points out that the state has a severe lack of affordable housing, especially for its poorer citizens. Though the federal Housing and Urban Development Department is providing more rent subsidies to Oregon families than it did a decade ago, HUD has been able to assist only half the families that meet the income test to qualify for assistance. In 1980, 26% of Oregonians eligible for help on their rent were assisted, compared with 41% in 1990. The reason even more of the eligible are not helped is, very simply, inadequate funding.

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



The report on the number of single and multi-family building permits issued by the Oregon Housing Agency for the past two years also underscores the same problem. Though single unit permits were up in 1990 to 12,722 from 11,816 in 1989, multi-family permits were down from 10,908 in 1989 to 9,817 in 1990. The kind of housing a poor family might be likelier to afford—an apartment as opposed to a house—may become even scarcer in the future.

Demographic pressures on the housing market also do not bode well for the less affluent. In 1990, of the 74,239 out-of-state licenses surrendered at the Oregon Department of Motor Vehicles, 30,855, or 41.6%, were from California; many of these no doubt people hoping to reinvest their profits from a home sale at California housing prices in a more reasonably priced Oregon residence. (On the flip side, only

14,753 Oregon licenses were surrendered during the same time period in California, possibly by people who had only read the first half of *The Grapes of Wrath*.) This sort of demand, and ready cash, will drive up both prices and minimum down payments, making housing for others that much less attainable. This will be especially true of rental housing, which tends to include the less expensive homes. As home prices go up, fewer builders and investors will be tempted to build or buy this sort of housing.

Another indication of this ongoing problem is the recently released "Components of Population Change by County" table from Portland State University's Center for Population Research and Census. This table shows that Oregon had net in-migration of 36,328 between April 1, 1980 and July 1, 1990. And of this number, 26,211 inmigrants, or 72.2%, were age 65 plus. Since this age group is the part of the population studies show to have improved its standing financially over the decade, members of this group, many of them retirees from California and other states, will put additional pressures on the cost of housing.

For those discouraged from buying a house by the preceding and planning to leave their savings in a bank, *The Oregonian* (Business Section, Feb. 5, 1991) includes an article by Stephen Labaton, "Bush Pushes for an End of FDIC's Bank Oversight Role." This article indicates that the Bush Administration will recommend that the Federal Deposit Insurance Corporation no longer act as the regulator of the nation's 12,000 banks. However, the agency would continue to insure deposits. This proposed legislation "permits mergers of investment banks and commercial banks, eliminates barriers to interstate banking, allows industrial enterprises to own banks, and imposes some limitations on bank insurance coverage." Basically, this move will consolidate more and more financial clout in fewer and fewer hands; it also spells less security, and less clout, for the small-to-medium sized depositor. Alan Abelson, writing in the *Barron's* for Feb. 11, 1991, takes an appropriately jaundiced view of the whole affair:

"Besides seeking to remove the restrictions that prevent banks from emulating Baldwin-United or First Executive and the barriers to making bad loans in 50 states instead of just one, the Administration's reform package forthrightly addresses the liability side of the problem. Here, it uncovers the real culprit—the depositor. The logic is compelling: No deposits means no loans, no loans means no bad loans. Actually, the scheme promises to kill two birds with one stone. Depositors will finally be punished for the cardinal sin of putting money in a bank. At the same time, ultimately limiting the government guarantee to a total of $100,000 per individual will obviously cause a mass migration of funds from smaller institutions to those relatively few that are too big to fail. The inevitable result will be that scads of smaller banks will shrivel up and blow away, and the industry will consist solely of large institutions in big cities with good airports. That will make them more convenient for bank examiners—and you won't need anyway nearly as many of them, either."

. . . health-care workers' salaries rose 6% last year, the highest amount for any occupation and a rate nearly equalling the 6.1% inflation rate.

In the department of Some Other Ominous Signs (or "S. Double O. S."), the U.S. Current Population Survey household data for January indicates that those unemployed who had lost their jobs were at 4.1 million, having grown by 270,000 from the preceding month. The number of job losers nationally has risen by 850,000 since June, and now stands at 53% of the total who are unemployed. This means that rather than being predominately people between jobs, such as younger workers seeking better opportunities, many of the nation's unemployed are older, long-time workers out of jobs. Two articles in the Feb. 2 issue of *The Washington Post* underscored the demographics of the current recession, one indicating that blue-collar workers have been particularly hard hit as companies cut their payrolls, the other stating that "for all the talk of yuppie recessions and white-collar layoffs, yesterday's unemployment figures made clear just who is bearing the burden of the economy's recent plunge: people who make and build things."

And, in a note that can be easily related to the foregoing, the Feb. 12 *Wall Street Journal* reported that the only U.S. industry that is currently flourishing is health care. With the rising cost of health services, it's particularly ironic that more older workers, the part of the work force probably most in need of these services, might be out of work and without benefit of health insurance at this juncture. This article adds that while the U.S. economy has lost 828,000 jobs since August, health services has added 241,000 positions. And while workers in other industries cope with layoffs, pay freezes, or token raises, health-care workers' salaries rose 6% last year, the highest amount for any occupation and a rate nearly equalling the 6.1% inflation rate.

Bringing this picture down to a state level, the Oregon Health Services Commission recently released some statistics about health care in Oregon. Among other points, they cite the following:

- 450,000 Oregonians (18% of the state's population) do not have health insurance. 44% of this number is either unemployed or not in the work force, 15% work part-time, and 41% work full-time.
- 190,000 poor Oregonians are receiving Medicaid, the federal/state program to provide health care to the poor.
- Approximately 120,000 poor men, women, and children are not covered by Medicaid; a family of 4 making $6,493/year is too "rich" to qualify.
- It would cost them an average of $204/month with a $500 deductible to obtain private health insurance.

Although the Veterans Administration will no doubt play a role in their treatment, we can also add to this list of medical needs the returning veterans of the Persian Gulf conflict who are injured in combat, since they too will add to the demands on the medical establishment and possibly help to drive medical charges higher.

On February 20 of this year, The Oregon Health Services Commission released a prioritized list of health care services as part of an Oregon Basic Health Services Program. After actuaries price this list, the 1991 Legislature plans to arrive at a basic health care benefits package (based on the money available in the General Fund, which may not be much) for all Oregonians by July 1992.

This long-term prospect is encouraging. In the short term, as is often the case in life, signals are mixed and gloom can be mitigated. (Hosannas, however, should also be kept in check.) Mitigating circumstances this past month include job prospects based on help-wanted advertising. Among the 51 nationwide newspapers sampled, the number of these new ads rose for the first time in 5 months. Perhaps the job outlook *is* improving.

But then again, is it? We might want to look not only at the quantity of jobs currently available as opposed to past months and years, but also the quality. *American Demographics* (Feb. 1991, page 50) reports that due to rapid growth in weekend and evening work, many dual-income families have come to resemble those with single parents. Women have borne much of the brunt of recent and ongoing labor force problems: the same magazine reports on page 14 of the February issue that women working full-time year-around, who earned 59% as much as men in 1970, earned 68% as much in 1989. "Baby" still has a long way to go past the cigarette ads to reach true pay equity. The Department of Labor also reports that the number of "discouraged workers"—people wanting to work but not looking because they don't expect to find jobs—rose in the last quarter of 1990 by 110,000 to reach a total of 940,000. Perhaps most significant, however, is the fact that women accounted for the entire increase. Janet Norwood, in her monthly testimony to Congress, indicates that women's labor force participation rates, which have been growing, were actually lower in the fourth quarter of 1990 than they were a year earlier, the first such over-the-year decline in thirty years.

> ***. . . women's labor force participation rates, which have been growing, were actually lower in the fourth quarter of 1990 than they were a year earlier, the first such over-the-year decline in thirty years.***

As another indicator that the quality of life in Oregon may be deteriorating, Kids Count, a children's advocacy group based in Washington, D.C., released a report recently indicating that in Oregon the child poverty rate went from 12% to 15.7% in the decade of 1979-89. In the eighties, seniors were the major segment of the population to have seen a decline in their number living in poverty.

Naturally one of the biggest questions, aside from the toll in lives, is the effect the war in the Persian Gulf will have on the economy. An article by Alan Murray in the January 16, 1991 *Wall Street Journal* examines the financial stakes involved in this conflict. The author declares "The 'peace dividend' from lower defense spending that many budget experts thought would close the budget gap is now going to be spent in the gulf." He also indicates that the war could fuel some other problems: the transportation sector of the national economy could be especially hard hit "...since the war could squeeze the supply of jet fuel. At a time when three U.S. airlines—Eastern, Continental, and Pan Am—are in the bankruptcy courts, the additional blow could be fatal to others." Also, since the U.S. has such an immense supply of military hardware, the war is unlikely to provide a major boost to our economy since it will be drawing on weapons already in our inventory, rather than promoting the manufacture of additional weaponry.

And, unless the productivity of the American worker starts to improve, the economy can expect more setbacks. A Department of Labor report recently found that the productivity of U.S. nonfarm workers declined by 0.8% last year. This is both its worst decline since 1982, when the last recession was ending, and its first back-to-back reversal—the 1989 estimate showed a drop of 0.7%. All of which conjures up the old spectre of recession with inflation, the "stagflation" of yesteryear. At this point, however, this possibility still remains somewhat theoretical; the most recent national CPI data doesn't show inflation accelerating too much from the preceding year when annual averages are compared. The CPI for the U.S. in 1990 showed a 5.4% increase in the CPI-U (All Urban Consumers) from a year before; the annual average for 1989 showed a 4.8% increase. Inflation was a bit greater for Portland-Vancouver, our closest proxy for Oregon, where the annual increase went from 5.0% for 1989 to a 5.8% change for 1990. However, a closer look is a bit more disconcerting, especially where Oregon is concerned. The change in the CPI-U for Portland-Vancouver in the last half of 1990, compared with the corresponding period twelve months before, was 6.7%. The corresponding change for the last half of 1989 was 4.9%. It appears the rate of inflation in this area, especially in the last half of 1990, was quite substantial. Corresponding figures for the U.S. in 1989 (5.2%) and 1990 (5.7%) show a considerably smaller gap. In the case of both the U.S. and Oregon, increased fuel prices as a consequence of events in the Persian Gulf no doubt played a role in inflationary increases.

Though much of the economic picture for January in Oregon was enough to give its citizens heart, the prospects for the country as a whole in January, and looking toward the year to come, were a bit reminiscent of how it might feel to have your heart stepped on by a size 14 shoe, or like another Valentine delivered at gunpoint some years ago in a garage in Chicago. ☐

A FOREST POLICY FOR THE 1990S — LEGISLATIVE PROPOSALS

Jill Bowling

(Editor's note: Jill Bowling served as staff to the Joint Interim Committee on Forest Products Policy in 1990.)

The forest products industry is a central component of Oregon's economy providing about a third of the state's manufacturing jobs. Implementation and development of federal land use management plans and protection plans for the northern spotted owl will greatly reduce the supply of timber — by about 39% from harvest levels of the mid-1980s. These reductions in timber supply will have a profound effect on workers, their families, and the communities they live in.

The Economic Development Department estimated in 1990 that more than 11,100 wood products workers were likely to lose their jobs in the next five years as a result of changes in the forest products industry. About half of this projected job loss is expected to occur in Linn, Lane, and Douglas counties. Within timber-dependent regions, the impact will be greatest in those towns which are geographically isolated and less economically diversified.

Job loss of comparable magnitude has already occurred in the last decade; between 1979-1988 about 11,400 jobs were lost in the forest products industry largely as a result of retooling, efficiencies within the production process, and fluctuating market conditions. However, job loss in the 1990s will have a fundamentally different character to job loss in the early 1980s. Forest products workers in the early 1980s expected timber jobs to be available after the recession. In the 1990s, most of the jobs lost will be gone forever.

The Joint Interim Committee on Forest Products Policy was charged by the 1989 Legislature with crafting a state strategy to respond to the serious challenge faced by the industry. Following a work plan adopted by the Senate President and House Speaker, the Committee under the Co-Chairmanship of Senator Bill Bradbury and Representative Bernie Agrons, fashioned a package of legislative recommendations. These recommendations, if they become law, could strengthen Oregon's growing secondary and value-added wood products industry, cushion the economic blow on timber workers and their families, and encourage greater productivity on small woodlands. Draft bills are currently being considered by House and Senate Committees.

This article discusses the draft bills and gives background on their development.

Promoting Secondary and Value-Added Manufacturing

Timber supply reductions will affect some firms more than others. Firms that rely on old growth timber because of their mill technology or product mix and those that buy on the open market will be the hardest hit.

In order to remain competitive firms will need to develop new markets, such as those on the Pacific Rim, find new uses for second growth as it is increasingly used to replace old growth timber, and develop new uses such as niche products for existing timber. Manufacturers cannot afford simply to continue selling old product lines to old markets.

The Committee's legislative package consists of five bills:

SB 364 creates a Wood Products Competitiveness Commission to coordinate state and private efforts to stimulate the industry. Activities will include monitoring industry competitiveness, technical developments, and foreign and domestic products markets and stimulating flexible manufacturing networks.

SB 366 creates an industrial extension service for secondary wood products in conjunction with the Forest Research Laboratory at Oregon State University. The service will be staffed by extension agents who would focus on client-directed problem solving and identifying existing technology that can be used or readily adapted to solve problems identified by wood products firms.

SB 363 requires a portion of the budget for state capital construction projects to be used to procure wood products. It is based on concepts in existing statutes which provide for energy efficient design and "one percent for art."

SB 365 creates a system of state-funded vouchers to pay for business assistance services for forest products firms.

SB 367 adds legislative oversight of programs and activities affecting the forest products industry to the responsibilities of the Joint Legislative Committee on Trade and Economic Development.

Aiding Displaced Workers and Timber-Dependent Communities

A number of programs are already in place to help workers and communities. However, given the magnitude of projected forest products job loss, the current programs do not provide adequate assistance for workers, their families, and their communities.

The Forest Products Committee studied the distribution of timber-dependent communities in the state and quantified the types of training that would be required for workers. Three pieces of legislation, focusing on help for workers were produced:

SB 368 extends unemployment benefits for displaced wood products workers if they are engaged in a certified training program. The Employment Division estimates that regular and extended unemployment benefits for laid off wood products workers could cost about $70 million.

SB 370 extends job training benefits to spouses and children of dislocated workers and establishes a family support fund to provide health care benefits, child care, retraining travel costs, and job relocation assistance. The cost of providing training and other benefits beyond extended unemployment compensation is estimated at $56.4 million.

SB 369 establishes a special limited duration Timber Adjustment Task Force to ensure the provision of a comprehensive range of services to workers and families affected by dislocation in the forest products industry. The Task Force will coordinate its work with all relevant state and local community development programs.

Increasing the Productivity of Small Woodlands

Increasing productivity on small woodlands is an old and difficult issue which has not yet received an adequate policy response. There are about 25,000 small woodland owners owning 16% of Oregon's forest lands. While these owners are amongst the most productive in the state, many are not managing to potential. Small woodland owners are a diverse group and the legislative package addresses their varying needs while recognizing that these needs change during the lifecycle of production.

HB 2318 authorizes small woodland owners to expense approved reforestation and management costs which would otherwise require capitalization. Expensing is against state income tax for the year in which the expenses are incurred.

HB 2317 provides liquidity by creating a market for immature timber. Owners may sell all or part of their immature timber to the state, the price paid being equal to a percentage of the present value of the predicted volume of timber at harvest. The owner gets paid a fee to manage the timber once it is sold to the state (having agreed on management and a harvest date) and can buy back the timber before harvest.

HB 2321 changes the rate of the western and eastern severance tax with the tax being reduced on a sliding scale as the age of the trees increases.

HB 2320 requires the State Forester to identify underproductive forest land. If forest land is not being managed as forest land the owner must develop and adhere to a management plan in order to retain forest use tax assessment. The bill is complemented by Department of Forestry technical assistance.

HB 2319 changes the index used for evaluating western Oregon forest land from a three-year average and 100% of change to a 50% change over five years, making it similar to the index already used for eastern Oregon.

HB 2322 provides for state capital gains reductions from income derived from timber held by a small woodland owner. The aim of this legislation is to restore the 60% exclusion for capital gains which was removed by the 1986 Tax Reform Act.

SB 2 provides for a small woodland owner to be a member of the Oregon State University Forest Research Laboratory Advisory Committee which sets research priorities and direction for the Lab.

Conclusion

While the Committee's work has substantial relevance to the current crisis it should be plainly understood that it holds no short-term solutions. If the Committee's recommendations are enacted, we can expect a modest increase in value-added wood products manufacturing in the next 5-10 years and a substantial increase in timber production from non-industrial private lands in the next century. While many dislocated workers will be helped, the results will arrive too late to have a substantial effect on communities impacted by the current crisis.

Importantly, the Committee's work has revealed a much more serious and complex situation with respect to dependent communities and dislocated workers than was originally anticipated. This points to the necessity of planning well in advance for those people and communities who will be impacted by conflict over resource use and environmental preservation. ☐

OPPS TRACKS STUDENT SUCCESS

Susan Violette

"Where are Oregon's students and training participants finding jobs? Where will the jobs be in the future? How do students and state agency clients fare in the Oregon labor market?"

In Oregon, the answers to these questions are provided through the information, publications, and services of the Occupational Program Planning System (OPPS). As a "one-stop" source of occupational demand/supply information, OPPS is designed to assist high schools, community colleges, job training program operators, state human resource agencies, and economic development organizations to plan in relation to projected labor market needs.

As a centralized data base OPPS can reduce unnecessary duplication of effort among agencies, stimulate interagency cooperation, and provide valid and reliable data to support decisions. The system provides feedback to educators, trainers, policy makers, and the business community regarding areas of strengths and opportunities to improve existing training programs.

Specifically, OPPS is able to provide:

- Occupational demand and supply analyses.
- Client and student tracking and follow-up.
- Occupational employment patterns by industry.
- Projections of employment by occupation.
- Estimates of the number of unemployed by occupation.
- Estimates of the supply of workers by occupation from education, employment, and job training programs.
- Occupational characteristics information.

Through the funding assistance received from the 1989 Oregon Workforce 2000 Act, OPPS is now able to coordinate statewide automated follow-up which confidentially tracks former students/clients' employment patterns and earnings over time. The information provided by the system includes wages earned, number of weeks worked, and the industry and county of employment during a three year period. The system is designed to prevent the identification of individuals to protect their privacy.

Any person who works for wages in Oregon can potentially be tracked through the Unemployment Insurance wage records. The capability exists to track former students or clients from any program — community colleges, Job Training Partnership Act, Adult and Family Services, displaced homemakers, injured workers, unemployment insurance applicants, apprenticeship programs, etc.

Studies on the feasibility of using unemployment insurance wage data as a method for tracking students and clients have been completed by The Center for Governmental Studies at Northern Illinois University and the Oregon Economic Development Department. Both studies used the State of Oregon's Job Training Partnership Act (JTPA) program's automated follow-up data to determine whether using unemployment insurance records is cost-effective.

The conclusions of these two studies were very favorable for the automated follow-up system. The Center for Governmental Studies at Northern Illinois University stated in their report, "The Unemployment Insurance (UI) system is an excellent resource for studies concerned with assessing the net impact of JTPA and other employment and training programs....UI wage-record data are an extremely cost-effective alternative to other sources of post-program information."

Although the follow-up system is still in a developmental phase, the first automated follow-up results for Oregon should be available for review sometime during 1991. By 1993 the system should be in place with baseline data established. The 1995 legislature will have available for its examination the initial results of the effects of Workforce 2000 programs on participants.

The quality of information from OPPS and the automated follow-up system will reflect the amount of long-term commitment from the legislature, state agencies, and local institutions. The benefits from training and education programs, in the form of higher job placement rates and wages, do not become immediately apparent. For this reason, automated follow-up information should be analyzed one or more years after the completion of a training or educational program at a time when the individuals have had some experience in the Oregon labor market.

The greatest value from the OPPS automated follow-up system will be derived from tracking students and clients over time.

The greatest value from the OPPS automated follow-up system will be derived from tracking students and clients over time. For example, the effects of Workforce 2000 programs, begun in 1990, will most likely begin to be seen in the labor market around 1995. We hope to show continued benefits through the year 2000 and beyond.

Developing a quality training, education, and employment data base takes planning, coordination, technical resources, and patience to assure a useful system. The State of Oregon is well on its way. The information provided by the Oregon automated follow-up system is a worthy project, as it provides objective and cost-effective feedback to the legislature. If placement rates and wages earned are part of the decision criteria, the OPPS follow-up system can help determine the best use of government education and training dollars.

HELP FOR OREGON WORKERS

The Oregon Department of Human Resources, in a joint effort with the Employment Division and the Adult & Family Services (AFS) Division, has published a comprehensive 19-page booklet for Oregon workers who have lost their jobs because of layoffs or closures. This booklet entitled *Help For Oregon Workers* covers many of the critical issues facing a family in trouble due to unemployment — finding a new job, getting financial help, dealing with food and housing needs, and getting medical care.

The new brochure is available at Employment Division and many AFS field offices. For additional information, phone toll free 1-800-237-3710, extension 8-3202. ☐

REGIONAL STRATEGIES

Mary Russell

(Editor's note: Mary Russell is a Research Analyst in the Policy and Research and Regional Strategies Sections of the Oregon Economic Development Department.)

"Before we had Regional Strategies, state dollars were spent haphazardly across the state, and people with common interests weren't talking to each other across county lines. Rural economies were drying up. We little guys felt like we weren't part of Oregon.

But there's a new charged atmosphere, and people are picking up the phone to call each other, talk things over, snatch opportunities. There's also a sense that we're all in this together — that Oregon can't be strong unless every region is included."

Representative Mike Nelson, Baker City

The "Little Guys" Program.

The Regional Strategies program, enacted by the 1987-89 Legislative Assembly, was designed to encourage the development of strategies that address the economic opportunities and challenges of each region of the state. At the time of the program's inception, 50 percent of Oregon's statewide economy was generated by 3 of its 36 counties. The program was developed in order to bring the depressed areas of Oregon back into the economic fold. By the end of the 1989-91 biennium, the Regional Strategies program will have made over $40 million available to regional projects, almost half to rural areas. By boosting the economic health of rural areas, the entire state has benefitted.

The program promotes targeted, regional strategic thinking and planning by Oregon's citizens and brings dollars and jobs to their communities. The planning procedure requires the choice of a single industry focus. It encourages counties to work in partnership with other counties on the premise that the "whole is greater than the sum of its parts." And it focuses on a region's comparative advantages and has a long-term orientation. Rather than creating a "wish list" of unrelated projects, counties develop a business plan for the targeted industry sector.

The principles of the program are fairness, leverage, and partnership. Those rural counties less able to respond to funding opportunities are ensured an opportunity to participate. Every region in Oregon is assured one allocation of Regional Strategies funding before any region gets "seconds." The program seeks to concentrate, coordinate, and package resources from all levels of government, the private sector, educational institutions, and other economic development organizations. This "partnering" leads to shared ownership and commitment to the success of the strategy and its projects.

A regional strategy is defined as a near-term economic development plan (implemented and demonstrating results within three to five years after approval of the strategy by the Governor) focusing on a single industry or principal economic activity and capitalizing on leverage and job creation opportunities. It is self-sustaining and offers long-term economic growth and/or development prospects. It is developed and adopted by a county or group of counties that can benefit by combining their efforts and is then proposed to the Economic Development Department (EDD) for review. The Department recommends approval of the strategy to the Governor. The Governor designates the region and sources of state funding and approves the strategy.

1987-89 Biennium

During the first round of funding and implementation, Oregon's 36 counties worked together to form 15 regional strategies. Five strategy types were chosen: secondary wood products, agriculture, tourism, technology transfer, and maritime trade. Two regions, Union-Wallowa and Harney-Lake, chose to focus on secondary wood products strategies. Four regions, including Marion-Polk, Morrow-Umatilla, Malheur, and Hood River, decided to pursue agricultural opportunities. Five regions composed of 21 counties chose tourism. These regions include Central Oregon (Crook, Deschutes, and Jefferson counties), Baker, Oregon Tourism Alliance (Clackamas, Clatsop, Columbia, Lincoln, Multnomah, Tillamook, Washington, and Yamhill counties), Southern Oregon (Curry, Douglas, Jackson, and Josephine counties), and North Central Oregon (Gilliam, Grant, Sherman, Wasco, and Wheeler counties). Technology transfer, or the ability to translate research at Oregon colleges and universities to business applications, was selected by three regions: Lane, Linn-Benton, and Klamath. And finally, Coos County selected maritime trade as its strategy.

Is It Working?

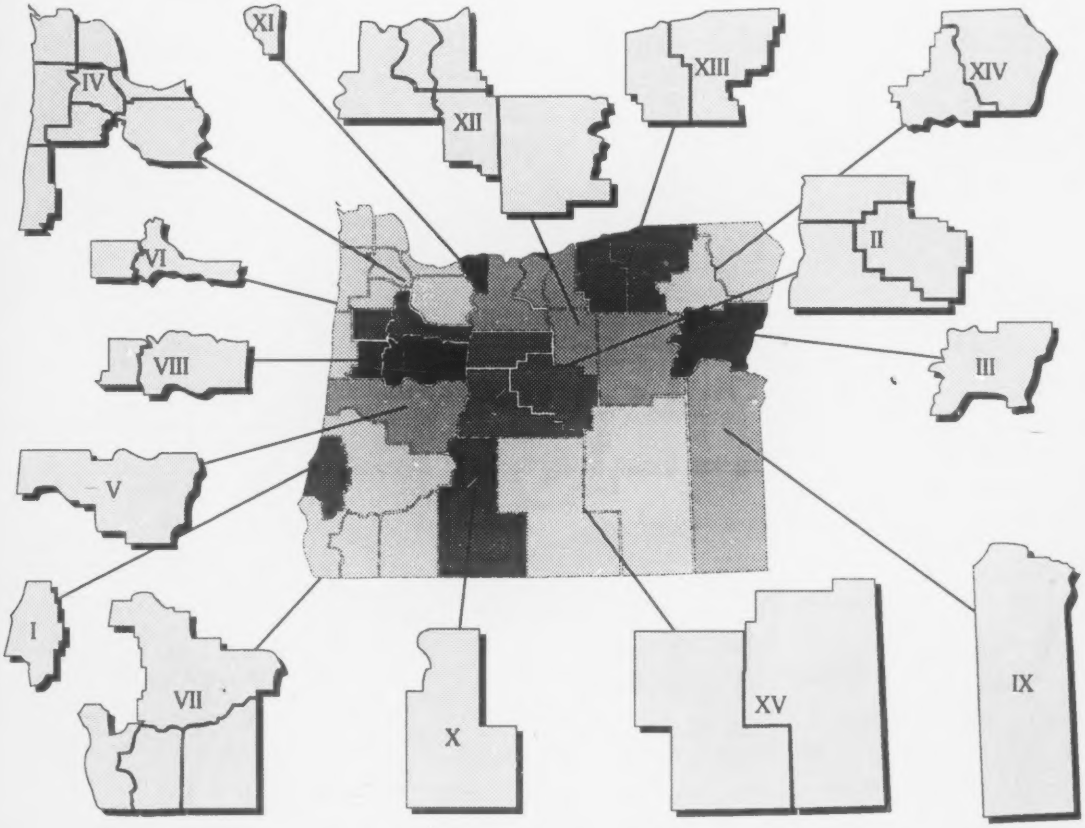
Success stories from the first biennium of the program abound. The International Port of Coos Bay points with pride to the Distant Water Fleet Facility, funded in part by Regional Strategies dollars. Completed projects in Central Oregon include the Welcome Center in Bend, the LaPine Rodeo grounds, the High Desert Museum expansion, and the Central Oregon Economic Development Council's Business Information Center. In Baker County, funding was provided for the Oregon Trail Interpretive Center, scheduled for completion in early 1992. Oregon Tourism Alliance (OTA) projects include the Oregon Convention Center, the Astoria Mariners' Center, the Tillamook Multi-Purpose Arena, and the Yamhill Equestrian Center. OTA's Hospitality Training Program, funded by Regional Strategies, has been so successful that it is being implemented statewide.

The Marion-Polk Marketing Grant Program dispensed grants to 37 firms. More than half of these grants went toward Japanese marketing efforts. In the Southern Oregon region, Regional Strategies funds in partnership with funds from the U.S. Forest Service made possible an interactive video that promises to become a model for the state and the nation of how to use new technology to increase the length of visitor stays. Other successful projects from this region include the new sport mooring docks at the Port of Brookings-Harbor, the Wildlife Safari Phase I expansion, the Illinois Valley Visitor Center, and the McKee Covered Bridge restoration — an outstanding model of local volunteerism and innovative fundraising that included an auction, an old-fashioned shake splitting to provide roofing materials, and a quilting bee.

The Linn-Benton region's technology transfer strategy featured a business incubator project, the Business Enterprise Center, and an Outreach Program that provides technical assistance to start-up companies. In Malheur County, 23 grants, matched dollar for dollar by local growers, were invested in agricultural products or in the development of additional products for the county. Upgraded facilities at the Mid-Columbia Agricultural Research Experiment Center in Hood River County are attracting federal interest in collaboration on domestic breeding programs. In the North Central region, The Dalles Riverfront Park has provided the region with a highly visible tourist attrac-

Regional Strategies 1987—89

Approved Strategies and Regions



I. Coos County
Maritime Trade
$542,680

II. Central Oregon
Tourism
$715,000

III. Baker County
Tourism
$450,000

IV. Oregon Tourism Alliance
$7,500,000 OR Convention Center
$2,793,605 All Other OTA

V. Lane County
Technology Transfer
$2,250,000

VI. Marion and Polk
Agriculture
$2,096,110

VII. Southern Oregon
Tourism
$3,089,684

VIII. Linn/Benton
Technology Transfer
$1,553,500

IX. Malheur County
Agriculture
$315,000

X. Klamath County
Technology Transfer
$558,462

XI. Hood River County
Agriculture
$165,000

XII. North Central Oregon
Tourism
$969,959

XIII. Morrow and Umatilla
Agriculture
$1,080,000

XIV. Union and Wallowa
Secondary Wood Products
$510,000

XV. Harney and Lake
Secondary Wood Products
$411,000

tion along Interstate 84. It provides an excellent access point to the Columbia River for board sailing, swimming, and boating as well as other day use facilities.

The Morrow-Umatilla region reports that a primary outcome of the Regional Strategies Program has been the growth of a "pro-active/pro-agriculture" stance that has been a significant determinant in business location and expansion in the area. A key project in the strategy is the Central Packing Facility constructed at the intersection of Interstates 84 and 82. In the Union-Wallowa and Harney-Lake regions, a benefit of the secondary wood products strategies chosen by each area has been the information provided to EDD's Secondary Wood Products Committee. This committee is working on the development and implementation of a statewide strategic plan to strengthen this important industry. Other significant projects in these regions include the Business Recruitment and Golden Circle Investment Funds, Baum Industrial Park (Union-Wallowa), and the rail service restoration in Harney-Lake.

1989-91 Biennium

The 1989-91 Legislative Assembly appropriated $23.85 million to fund the second biennium of the Regional Strategies Program. Subsequent lottery shortfalls probably will reduce this funding by as much as 30 percent. Given the long-term orientation of a strategy and the recognition that implementation of the 15 adopted regional strategies was just underway, the Governor and EDD encouraged Oregon's 36 counties to continue to work together to develop the regional strategies begun in the first biennium of the program. At present, all counties have expressed a commitment to continue their adopted strategy and develop a strategy amendment for funding consideration.

Approved strategy amendments for the current biennium include OTA, Central Oregon, and Baker County. Under current review are draft strategies from Morrow-Umatilla, Harney-Lake, and Marion-Polk. As outlined in work plans submitted by the 15 regions, all strategy amendments are expected to be completed by Spring 1991.

Program Future

Eleven workshops were held in early Fall 1990 to solicit input on the program and its future. Participants in all workshops were very supportive of the program. They consistently cited the importance of the program for the following reasons: 1) it is the one program that allows for decentralized planning and decision-making; 2) it involves citizens in planning for the future; 3) it recognizes the long-term nature of economic development; 4) it helps identify regional priorities; 5) it focuses resources for the greatest impact; 6) it is tailored to the unique assets and liabilities of regions; 7) it provides flexible funding which often is critical gap financing for projects; 8) it creates opportunities as well as supporting existing opportunities; 9) it supports entrepreneurial activities which involve greater risk than other EDD programs; 10) it builds regional capacity for problem-solving; and 11) it reinforces the perception of the state as a partner and advocate for regions. Downside comments focused on the job-creation criterion of the program. Many participants believed that the strategies are more long-term in nature than the legislative program guidelines would imply. Job creation was perceived as being a more heavily-weighted component than it deserves to be.

Is It Unique?

A recent 50-state survey completed by EDD found Oregon's Regional Strategies Program to have one of the more focused and mature regional approaches in the nation. When initiated in 1987, there were very few states with such a focus. As of September 1990, there were 10 states with full-fledged regional economic development programs in place (Alaska, Maryland, Minnesota, Nevada, New Mexico, New York, Oklahoma, Oregon, Pennsylvania, and Vermont). Another 10 states have smaller programs that either address a particular substate region or regions, or that fund a regional computer network or marketing program (Arizona, Colorado, Kentucky, Massachusetts, New Jersey, North Carolina, Tennessee, Utah, Washington, and West Virginia). Four states (Delaware, North Dakota, Ohio, and Texas) have programs still in the planning stage, while two states have programs described by respondents as "bogged down" (Connecticut) or "semi-dead" (Indiana).

For more information on the Regional Strategies Program, contact Lise Glancy, Manager of REDS, at 373-7361. ☐

STATE OF OREGON UNEMPLOYMENT RATES BY AREA

January 1991

	Civilian Labor Force	Total Employment	Unemployment	Rate[1]
State of Oregon	1,462,800	1,362,700	100,100	6.8
Eugene MSA[2]	146,700	135,700	11,000	7.5
Medford MSA[3]	70,680	63,980	6,700	9.5
Portland PMSA[4]	680,900	647,600	33,300	4.9
Salem MSA[5]	135,100	126,000	9,100	6.7
Baker	6,760	6,050	710	10.5
Benton	37,810	36,140	1,670	4.4
Clatsop	17,880	16,440	1,440	8.1
Columbia	17,210	15,640	1,570	9.1
Coos	26,460	23,580	2,880	10.9
Crook	7,060	6,450	610	8.6
Curry	9,120	8,360	760	8.3
Deschutes	42,570	39,310	3,260	7.7
Douglas	44,320	38,670	5,650	12.7
Gilliam	860	820	40	4.7
Grant	4,300	3,850	450	10.5
Harney	3,870	3,520	350	9.0
Hood River	9,740	8,910	830	8.5
Jefferson	6,640	6,020	620	9.3
Josephine	25,610	22,870	2,740	10.7
Klamath	24,850	22,020	2,830	11.4
Lake	3,630	3,160	470	12.9
Lincoln	19,120	17,670	1,450	7.6
Linn	43,250	39,090	4,160	9.6
Malheur	43,250	39,090	810	6.8
Morrow	3,090	2,710	380	12.3
Sherman	850	780	70	8.2
Tillamook	9,290	8,420	870	9.4
Umatilla	28,760	25,660	3,100	10.8
Union	11,070	10,200	870	7.9
Wallowa	3,550	3,190	360	10.1
Wasco	9,430	8,340	1,090	11.6
Wheeler	590	490	100	16.9

[1] *Not Seasonally Adjusted*
[2] *Lane County*
[3] *Jackson County*
[4] *Clackamas, Multnomah, Washington, Yamhill counties*
[5] *Marion and Polk counties*

JOB SERVICE EMPLOYERS' COMMITTEE — 1990 IN REVIEW

Judy Lofton

In 1990, more than 1,200 employers acted as advisors to the Employment Division on 22 active committees. Job Service Employer Committees (JSEC) throughout our state sponsored more than 70 employer seminars. JSECs became active in their prospective communities sponsoring job fairs, summer youth, and older worker programs. They conducted lobby studies in their Employment Division offices and donated money to "spruce up" several of the field offices. Legislatively, JSEC took a great step forward by organizing a legislative committee and network to deal with legislative issues. JSEC members are testifying at the legislature.

The JSEC statewide conference, attended by approximately 200 employers, was held in Hood River. It focused on the changing workforce and how employers in our state can cope and benefit from the changes. A new state chair, Toni Cox, Cutler & Co., Medford, was elected at the conference. She and Randy Springer, Willamette Industries, sit on the Unemployment Insurance Advisory Council. Thirteen Oregon JSEC members attended the 1990 national conference last February. Last, but certainly not least, and no doubt our proudest moment was when the Coos Bay local committee won the national "First Runner-Up" award for "Best Local Committee of the Year." They will receive this award in Washington, D.C. in February 1991.

JSEC SEMINARS

TEAM BUILDING AND STAFF MOTIVATION
Chumaree Comfortel
Salem, Oregon
March 14 . . . 7:30 a.m. - 11:45 a.m.
Call Bob Nelson, phone 378-4846 or Laverna Bauguess, phone 472-5118

SUPERVISORY SKILLS FOR SUPERVISORS/MANAGERS
Holiday Inn, South
Wilsonville, Oregon
March 19 . . . 7:15 a.m. - 11:30 a.m.
Call Cathie Moravec or Jerry Howard, phone 657-2078

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Dec.[2] 1990	Nov.[3] 1990	Dec. 1989	Dec.[2] 1990	Nov.[3] 1990	Dec. 1989	Dec.[2] 1990	Nov.[3] 1990	Dec. 1989
TOTAL MANUFACTURING[4]	$453.20	$441.00	$440.80	40.0	39.2	40.0	$11.33	$11.25	$11.02
Durable Goods	453.72	442.22	446.93	39.8	39.1	40.3	11.40	11.31	11.09
Lumber & Wood Products	432.74	426.72	443.29	38.5	38.1	39.9	11.24	11.20	11.11
Logging & Sawmills	458.06	452.91	474.81	37.7	37.4	39.8	12.15	12.11	11.93
Veneer & Plywood	426.41	408.56	423.36	39.3	37.9	39.2	10.85	10.78	10.80
Millwork & Structural	362.52	376.04	391.64	38.0	39.5	41.4	9.54	9.52	9.46
Mobile Homes	393.96	386.88	348.18	40.2	40.3	37.6	9.80	9.60	9.26
Other Wood Products	478.16	446.29	437.47	43.0	39.6	41.0	11.12	11.27	10.67
Furniture & Fixtures	371.14	373.12	352.26	38.5	37.2	38.0	9.64	10.03	9.27
Primary Metals	534.25	549.08	506.69	42.2	42.4	41.6	12.66	12.95	12.18
Fabricated Metals	421.51	405.99	402.98	38.6	39.0	39.2	10.92	10.41	10.28
Machinery (Ex Electrical)	454.99	444.04	458.59	40.3	39.4	40.8	11.29	11.27	11.24
Nondurable Goods	450.46	436.23	425.13	40.4	39.3	39.4	11.15	11.10	10.79
Food & Kindred Products	374.53	354.71	366.37	40.1	38.1	39.1	9.34	9.31	9.37
Canning & Preserving	321.16	303.40	317.95	39.6	37.0	38.4	8.11	8.20	8.28
Other Food Products	440.78	423.72	426.00	40.7	39.6	40.0	10.83	10.70	10.65
Textile Mill Products	294.23	270.48	270.84	39.6	36.7	36.6	7.43	7.37	7.40
Apparel	277.61	274.25	259.38	39.1	38.9	39.3	7.10	7.05	6.60
Paper & Allied Products	675.38	669.67	660.72	42.8	42.6	43.1	15.78	15.72	15.33
Printing & Publishing	500.37	494.79	435.34	39.0	39.3	36.8	12.83	12.59	11.83
Construction[4]	578.68	565.44	567.67	36.1	36.2	37.2	16.03	15.62	15.26
Communications & Utilities[5]	614.79	587.11	544.32	41.4	40.8	40.5	14.85	14.39	13.44
Trade[5]	333.35	324.74	320.63	35.5	34.4	34.7	9.39	9.44	9.24
Wholesale Trade	447.33	431.27	429.40	39.0	37.6	37.7	11.47	11.47	11.39
Retail Trade	278.17	270.76	267.92	33.8	32.7	33.2	8.23	8.28	8.07
Banking & Insurance[5]	398.27	372.01	341.51	39.2	36.4	36.1	10.16	10.22	9.46
State & Local Government	424.86	413.31	402.65						

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[1] Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.

[2] Preliminary

[3] Revised

[4] Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.

[5] Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

NEW LMI PUBLICATION

Ken Lux

The Research & Statistics section of the Oregon Employment Division is pleased to announce the completion of the *1989 Oregon Covered Employment and Payrolls* publication. This report will be available after the first of March.

In addition to supplying the usual statistical tables which include employment and payrolls by month and quarter, both statewide and by county, the publication will feature some changes that should be very helpful to the reader. Specifically, we have:

1. Designed a new statewide summary table that provides the most frequently requested information at the beginning of the tables section;
2. Included a tally of reporting units, average employment, and total payroll as well as the computation of average annual and weekly wages;
3. Added a new set of employment by size-of-firm tables that had been previously published and distributed on an as requested basis; and
4. Added a new set of tables that help the data user better understand economic changes occurring in Oregon by identifying those employment changes that are attributable to technical shifts in the data (i.e., changes in industry or county codes, or other kinds of definition-related issues).

While the primary focus of the publication remains the presentation of employment and payroll information in a tabular format, the analysis section provides a comprehensive examination of the annual data, its changes and trends.

The focus for this year's analysis section is employment and wage growth in 1989 compared with the past several years. This information is then interpreted in light of the impact of inflation as measured by the U.S. Consumer Price Index for All Urban Consumers (U.S. CPI-U).

Some of the highlights for 1989 include:

- An increase in the average annual covered employment of 5.2% from 1,134,137 in 1988 to 1,192,967 in 1989.
- An increase in the total covered payroll of 8.7% from $22,270,326,945 in 1988 to $24,205,721,333 in 1989. The average annual wage (all industries) per worker increased by 3.3% to $20,290.
- When adjusted for inflation (4.8% in 1989), the average wage per worker actually declined by 1.4% in 1989, the steepest one-year drop since 1980.
- Increases in average employment for all industry divisions in Oregon with the amount of increase varying from a low of 0.9% in mining to a high of 15.1% in construction.
- A continuation in the decline of manufacturing as a percentage of total private sector employment from 23% in 1988 to 22% in 1989, and an increase in services as a percentage of total private sector employment from 25.6% to 26.6%.
- While the mining division continues to have the fewest employees, it also continues to produce the highest average annual payroll in the private sector ($27,690). It is followed by transportation and public utilities ($26,926); wholesale trade ($26,034); manufacturing ($25,866); construction ($23,930); finance, insurance, and real estate ($22,923); services ($17,678); agriculture, forestry, and fishing ($12,472); and retail trade ($11,823).

With all the attention that has been focused on current state and national economic news, it remains to be seen whether 1989 proves to be the high water mark for the next couple of years. However, for the time being, the most recent annual covered employment and payroll information available to us is now available to you.

Readers interested in obtaining a copy of the publication should contact the Research & Statistics section of the Oregon Employment Division, 875 Union Street NE, Salem, Oregon 97311, Attention: Denise McGoldrick. We can also be reached by phone at (503) 378-2069, or toll free 1-800-237-3710, extension 8-2069. ☐

LMI LABOR MARKET INFORMATION

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OREGON LABOR TRENDS

APRIL 1991

State of Oregon • Employment Division • Department of Human Resources

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Feb.	1991	5.8
Jan.	1991	5.9
Feb.	1990	5.4

United States (Seas. Adj.)

Feb.	1991	6.5
Jan.	1991	6.2
Feb.	1990	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Feb	1991	134.9
Jan.	1991	135.2
Dec.	1990	133.9
Nov.	1990	134.0
Oct.	1990	133.9

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

Jan.	1991	$11.47
Dec.	1990	$11.34
Jan.	1990	$11.09

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Jan.	1991	38.4
Dec.	1990	40.0
Jan.	1990	38.6

CONSUMER PRICE INDEX (CPI)

1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver

July-Dec. 1990	129.8
Yearly change	6.7%
Annual Average 1990	127.4
Yearly change	5.8%

United States

Feb. 1991	134.8
Yearly change	5.3%
Annual Average 1990	130.7
Yearly change	5.4%

Portland Hotline 326-4132

LOOKING FOR A RAINBOW

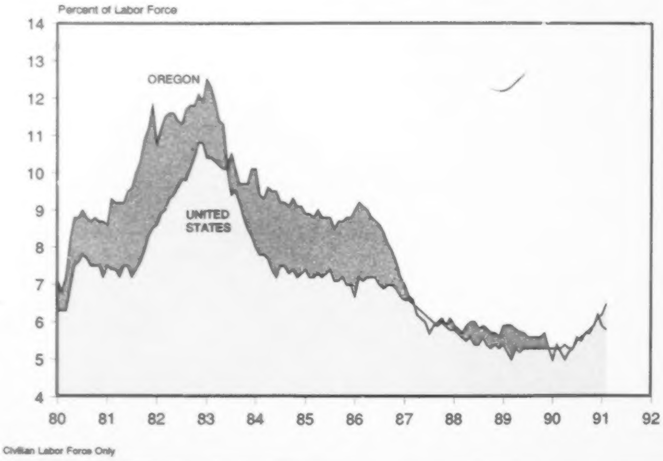
Duane Ackerson

Follow the fellow
Who follows a dream.

"Look to the Rainbow"
(E.Y. Harburg/ Burton Lane)

It was dark as an oil spill in my dream, but somewhere in the dark I could hear someone singing "Look to the Rainbow" from the musical *Finian's Rainbow*. Then, the song faded and I could hear the "Good Old Days" talking. Its voice was dark, too, and crackly, like something coming over an old Magnavox radio someone was attempting to tune; the clarity and volume kept coming and then going again. So I could hear only fragments: ". . . good old days I'm speaking . . ."; ". . . twelve cents . . . loaf of bread . . ."; ". . . walk to the store . . . penny candy . . . nickel Coke . . ." After listening a while, I heard another voice, this one much clearer and sharper, cut in: "I'm sorry, dude, but we are not here. It would be most excellent if you would leave a message and we'll get back to you when we're back." At that point, the line holding my ear to the dream was disconnected. I felt myself falling through the darkness toward a small point of light. I remember thinking, **so this is what the end is like**. However, it was not the end, just another confusing beginning. I pushed through the membrane of light into a sort of half light, and found myself standing in the dark in what appeared to be a theater. I was focussing a single follow spot on the stage, where the events of February 1991 had just played themselves out, attempting to throw some light over the shadows left by those events. I just hoped no one would realize I didn't belong to any theatrical guild; I also hoped I knew how to operate this thing . . .

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	FEB.1/ 1991	JAN.2/ 1991	FEB. 1990	CHANGE FROM JAN. 1991	CHANGE FROM FEB. 1990
TOTAL 5/	1,239,200	1,235,800	1,209,300	3,400	29,900
WAGE & SALARY EMPLOYMENT INDEX 6/	134.9	135.2	131.7	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	256,600	257,800	260,100	- 1,200	- 3,500
SERVICE PRODUCING INDUSTRIES 8/	982,600	978,000	949,200	4,600	33,400
TOTAL MANUFACTURING	205,900	207,900	214,000	- 2,000	- 8,100
DURABLE GOODS	148,800	150,200	157,200	- 1,400	- 8,400
LUMBER & WOOD PRODUCTS	55,900	56,900	64,000	- 1,000	- 8,100
LOGGING	9,800	9,600	10,300	200	- 500
SAWMILLS	19,300	19,600	22,500	- 300	- 3,200
VENEER & PLYWOOD	11,300	11,700	15,000	- 400	- 3,700
MILLWORK & STRUCTURAL WOOD	9,500	9,900	10,400	- 400	- 900
MOBILE HOMES	2,100	2,100	1,800	0	300
OTHER WOOD PRODUCTS	3,900	4,000	4,000	- 100	- 100
FURNITURE AND FIXTURES	2,900	2,900	3,100	0	- 200
STONE, CLAY, GLASS & CONCRETE	4,100	4,100	4,000	0	100
PRIMARY METALS	11,300	11,300	11,000	0	300
BLAST FURNACES, IRON & STEEL 9/	5,800	5,800	5,600	0	200
NONFERROUS METALS 9/	5,500	5,500	5,400	0	100
FABRICATED METALS	11,100	11,200	11,700	- 100	- 600
FABRICATED STRUCTURAL METALS	4,700	4,800	4,900	- 100	- 200
OTHER FABRICATED METALS	6,400	6,400	6,800	0	- 400
MACHINERY	16,600	16,700	17,900	- 100	- 1,300
OFFICE & COMPUTING MACHINES	4,200	4,200	4,600	0	- 400
OTHER MACHINERY	12,400	12,500	13,300	- 100	- 900
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,700	17,700	17,100	0	600
TRANSPORTATION EQUIPMENT	13,500	13,600	12,100	- 100	1,400
INSTRUMENTS & RELATED PRODUCTS 9/	11,800	11,900	12,500	- 100	- 700
MISCELLANEOUS MANUFACTURING	3,900	3,900	3,800	0	100
NONDURABLE GOODS	57,100	57,700	56,800	- 600	300
FOOD & KINDRED PRODUCTS	21,200	21,500	21,100	- 300	100
CANNING & PRESERVING	9,700	9,900	10,200	- 200	- 500
OTHER FOOD PRODUCTS	11,500	11,600	10,900	- 100	600
TEXTILE MILL PRODUCTS	1,500	1,500	1,700	0	- 200
APPAREL	2,800	2,900	2,800	- 100	0
PAPER & ALLIED PRODUCTS	9,300	9,200	9,000	100	300
PRINTING & PUBLISHING	14,400	14,500	13,900	- 100	500
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,300	0	0
PETROLEUM & ASPHALT PRODUCTS	500	600	600	- 100	- 100
RUBBER & PLASTIC PRODUCTS	4,700	4,700	4,900	0	- 200
LEATHER PRODUCTS	400	500	500	- 100	- 100
TOTAL NONMANUFACTURING	1,033,300	1,027,900	995,300	5,400	38,000
MINING & QUARRYING	1,500	1,500	1,300	0	200
CONSTRUCTION	49,200	48,400	44,800	800	4,400
BUILDING CONSTRUCTION	11,800	11,600	12,100	200	- 300
HEAVY CONSTRUCTION	6,100	6,100	5,000	0	1,100
SPECIAL TRADE CONTRACTORS	31,300	30,700	27,700	600	3,600
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	63,400	63,000	62,900	400	500
TRANSPORTATION	42,300	42,000	41,500	300	800
RAILROAD	3,700	3,700	3,800	0	- 100
TRUCKING & WAREHOUSING	24,000	23,800	23,600	200	400
OTHER TRANSPORTATION	14,600	14,500	14,100	100	500
COMMUNICATIONS	12,200	12,100	12,500	100	- 300
UTILITIES	8,900	8,900	8,900	0	0
TRADE	308,400	310,800	299,600	- 2,400	8,800
WHOLESALE TRADE	80,700	80,500	76,600	200	4,100
DURABLE GOODS	46,200	46,200	44,600	0	1,600
MACHINERY, EQUIPMENT, & SUPPLIES	10,500	10,700	10,500	- 200	0
OTHER DURABLE GOODS	35,700	35,500	34,100	200	1,600
NONDURABLE GOODS	34,500	34,300	32,000	200	2,500
GROCERIES & RELATED PRODUCTS	12,900	13,200	12,000	- 300	900
OTHER NONDURABLE GOODS	21,600	21,100	20,000	500	1,600
RETAIL TRADE	227,700	230,300	223,000	- 2,600	4,700
BUILDING MATERIALS & GARDEN SUPPLIES	8,600	8,600	7,800	0	800
GENERAL MERCHANDISE	28,700	30,900	29,500	- 2,200	- 800
FOOD STORES	38,200	38,400	37,600	- 200	600
AUTO DEALERS & SERVICE STATIONS	27,400	27,400	27,300	0	100
APPAREL & ACCESSORY STORES	9,800	10,400	9,200	- 600	600
FURNITURE & HOME FURNISHINGS	9,300	9,300	9,400	0	- 100
EATING & DRINKING PLACES	81,400	81,000	78,700	400	2,700
MISCELLANEOUS RETAIL	24,300	24,300	23,500	0	800
FINANCE, INSURANCE, & REAL ESTATE	80,500	80,000	77,000	500	3,500
FINANCE	28,600	28,600	28,400	0	200
INSURANCE	23,100	23,000	22,600	100	500
REAL ESTATE	28,800	28,400	26,000	400	2,800
SERVICES	300,700	298,200	286,800	2,500	13,900
HOTELS & OTHER LODGING PLACES	18,400	18,200	17,500	200	900
PERSONAL SERVICES	11,000	10,800	11,200	200	- 200
BUSINESS SERVICES	49,500	49,700	47,800	- 200	1,700
AUTOMOTIVE & MISC. REPAIR SERVICES	17,000	16,900	16,000	100	1,000
MOTION PICTURES & AMUSEMENTS	14,500	14,500	14,300	0	200
HEALTH SERVICES	87,100	86,600	83,400	500	3,700
LEGAL SERVICES	9,000	8,900	8,700	100	300
PRIVATE EDUCATION	17,900	16,800	15,700	1,100	2,200
SOCIAL SERVICES	27,900	27,700	26,400	200	1,500
ENGINEERING & MANAGEMENT SERVICES	21,400	21,400	20,100	0	1,300
OTHER SERVICES & NEC	27,000	26,700	25,700	300	1,300
GOVERNMENT	229,600	226,000	222,900	3,600	6,700
FEDERAL GOVERNMENT	31,700	32,300	31,200	- 600	500
STATE GOVERNMENT	62,600	61,400	60,800	1,200	1,800
EDUCATION	26,500	25,300	26,300	1,200	200
OTHER STATE	36,100	36,100	34,500	0	1,600
LOCAL GOVERNMENT	135,300	132,300	130,900	3,000	4,400
EDUCATION	87,200	84,400	84,100	2,800	3,100
OTHER LOCAL	48,100	47,900	46,800	200	1,300
LABOR-MANAGEMENT DISPUTES 10/	0	0	600	0	- 600

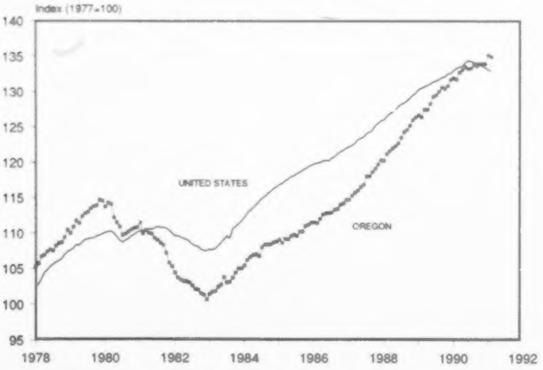
OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	FEB.1/ 1991	JAN.2/ 1991	FEB. 1990	CHANGE FROM JAN. 1991	CHANGE FROM FEB. 1990
CIVILIAN LABOR FORCE 3/	1,476,000	1,463,500	1,451,500	12,500	24,500
UNEMPLOYMENT	98,800	99,800	90,800	- 1,000	8,000
PERCENT OF LABOR FORCE	6.7	6.8	6.3	XXX	XXX
SEASONALLY ADJUSTED PERCENT	5.8	5.9	5.4	XXX	XXX
TOTAL EMPLOYMENT 4/	1,377,200	1,363,700	1,360,700	13,500	16,500

1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

Center stage: looking at the light still adhering to February, it was relatively easy to see that though Oregon upstaged the nation, this was in large part because the national performance was so poor. The statewide unemployment rate was down 0.1 to 5.8% from the month before. However, small changes in the rate at the state level can easily conceal important shifts at locals levels. For example, a preliminary overview of recently revised data indicates that two MSA's (Metropolitan Statistical Areas) and eleven counties increased their annual average unemployment rates between 1988 and 1989; one MSA and eight countinues saw increases in these rates between 1989 and 1990. Downstage, the U.S. unemployment rate was up 0.3 from January to 6.5%; unemployment had reached this level by rising from a rate of 5.2 as recently as in June of the preceding year. This was also the highest unemployment rate the country had experienced in four years, prompting the Federal Reserve to cut a key interest rate by a quarter of a percentage point (*The Washington Post*, March 9, page 1). The pressure is also on to provide for the rising number of the unemployed; Congress is now acting on a supplemental appropriations bill for $150 million more to handle the processing of additional unemployment claims. The Labor Department also reported that a minimum of 628,000 previously insured workers have exhausted benefits without finding new jobs; it also estimated the number may actually be an high as a million (David S. Broder; *Washington Post*, March 17). Of course, for every problem, there a proposed solution; Congressional supporters of a bill that would cut the Social Security payroll tax claim such a legislative action, based on their study, would create 650,000 new jobs and increase the Gross National Product by as much as $226 billion through year 2000. (*Daily Labor Report*, March 15, page A-13) This should about take care of the problem, allowing those workers who have exhausted benefits to stage a comeback if they can can hold out, in some instances, for another nine years. In the shorter run, economists are hopeful that the end of the war with Iraq could give the economy a lift.

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



On the employment side in the bill, there was a seasonally adjusted decline of 2,800 jobs in Oregon's nonagricultural wage and salary employment. This decline, however, was in part due to strong job performance in January. The seasonally adjusted, revised figures for January showed a jump of 12,300 from December.

The light was at its dimmest over the February performances in manufacturing and services. Every sector of manufacturing suffered declines, for a seasonally adjusted drop of 2,900 in that industry grouping. Sawmill employment has declined by 3,200 in the past year, reaching the same point it was at in the 1982 recession. Another hard-hit industry, veneer and plywood, now employs half as many people as it did in the 1970s, having lost 3,700 jobs in a year's time. The timber dependent communities of the state have been especially hard hit by the national economic slowdown, especially its negative impact on construction in most parts of the country. The overall statistics for the state don't tell us much about the economic woes of cities like Roseburg, Coos Bay, and Sweet Home, much less the small communities near these cities.

Within manufacturing, the spotlight fell on transportation equipment, which showed continued strength, helping to prop things up with an employment increase of 1,400 over the year. Within this, ship building and repair was near the top of the bill; currently at 4,200, it displays nearly twice the employment of a year ago.

Despite strong supporting performances by health services and private education, services played out a decline, seasonally adjusted, of 2,800.

Though construction declines elsewhere in the country affected lumber and wood products employment in Oregon, construction in Oregon continues to be the star of the show. In February, it drew applause with an employment increase of 800; special trade contractors (+600) benefited in particular from the mildness of the weather.

On the regional stage, owls and salmon once more flew and swam into the Northwest picture. A group of biologists and non-biologists will be meeting to develop an owl recovery plan. This group is facing a May 1 deadline set by a U.S. District Court for the U.S. Fish and Wildlife Service to designate habitat necessary to the survival of the northern spotted owl. A Northwest Salmon Summit also met in Portland March 4 to approve a recovery plan for five salmon stocks, including coho salmon in the Lower Columbia. Senator Mark Hatfield, who had called for this summit previously in response to petitions to protect five salmon stocks under the Endangered Species Act, praised the efforts of this group but "said the plan doesn't go far enough to prevent an endangered species listing for the five stocks." (*The Oregonian*, page B-1, March 5, 1991)

Moving from fish and fowl to humans: among the massive amount of data being released from the 1990 Census is a statistic with some ominous implications for both employment and unemployment in this country, and beyond that, for the country as a whole. The Census shows that the U.S. is becoming a suburban nation, with an unprecedented movement of both jobs and population away from the old central cities; now, the majority of our population lives in 39 metropolitan areas, each with a million residents or more. *The New York Times* (March 3, page E5) suggests this may set the stage for a national labor gap, with employers separated from the largest group of new workers, the poor minority population. A further implication of this trend is that we might see the worst of both worlds in the future: labor shortages, from the perspective of suburban employers, and job shortages from the perspective of the inner city poor, with never the twain meeting.

While training the light on the stage where February had made its brief appearance in the limelight, I also had occasion to think about the human quest for security, whether economic or other. Though it might have become fashionable to disparage the idea of "That Great Come 'n' Get It Day," was it that wrong to feel everyone was entitled to a decent break? That there was enough world to go around, as long as people didn't spill oil in the Persian Gulf like greedy children at a party, knocking over someone else's chocolate milk when they didn't get a second glass?

Suddenly, the figure of the "Good Old Days" appeared on the stage. Though I had only heard him earlier, I could tell in a blink it was he; he looked a little like a cross between Santa Claus, Og the leprechaun from *Finian's Rainbow*, and Rip Van Winkle, with a little Jimmy Stewart thrown in assist in the characterization. He reached into his sack, which resembled the sort of sand bag used as a counterweight to lift sets. While reaching inside, he began to recite: "Ten cent loaf of bread . . . work for everyone who wants to . . . a chicken in every garage . . . a pot in every rainbow . . . crosses of gold for labor . . ."

However, none of these things emerged from the sack: just sand, which he began to scatter over the audience. I felt my eyes grow heavy, and the light I was working begin to dim, fade into a pencil-sized pen light, then a bouncing ball of light that escaped from my hands, dancing over the stage, as the Good Old Days faded again to just a crackle of voice, singing this time: "Mr. Sandman, bring me a dream . . ."

Then, on the darkened stage in my mind, one dream followed another, and March came in like a line: an actor's, that is. Unfortunately, March wasn't the only month that came in. I appeared to be seeing the concluding scene of Thornton Wilder's *The Skin of Our Teeth*, in which the hours of the night each come on stage, each with the name of a famous philosopher, and quoting the thinker's words. This time, though, each hour was a month attempting to tell its tale, all speaking at once. In the midst of this growing chaos, Sabina, the maid who has the final say in Wilder's play, appeared to have the last word once more:

"The whole world's at sixes and sevens, and why the house hasn't fallen down about our ears long ago is a miracle to me." She comes down to the footlights. "This is where you came in. We have to go on for ages and ages yet.

"You go home.

"The end of this play isn't written yet." ☐

MINIMAL TOTAL BENCHMARK REVISION

David Cooke

The Oregon nonagricultural wage & salary totals printed every month in this publication are based on information provided by a sample of Oregon firms. These estimated employment totals for the prior two years are replaced every February when the Employment Division completes its annual benchmark revision. Estimated totals are replaced with near-universe counts based on unemployment insurance tax records and other records.

This year the revision for total nonagricultural wage & salary employment was very small. The 1990 annual average total was only 1,800 higher than the earlier estimated figure, a 0.1% change.

But, within this very slight revision at the total level lie a few more significant changes. The most significant annual average revisions occurred in construction, which was revised upward by 6.1%; in finance, insurance, and real estate, which was revised upward by 3.0%; and in trade, which was revised downward by 2.9%. These revisions at the major industry level tended to cancel out one another when all industries were added to produce the total wage & salary averages.

The revised benchmark figures show that Oregon's wage & salary employment grew at a 3.2% rate between 1989 and 1990. This confirms the slowdown in growth that Oregon experienced in 1990. But the growth rate in 1990 was fairly strong compared to the national rate for the same period, and compares favorably with the growth rates of the last five years:

OREGON ANNUAL AVERAGE EMPLOYMENT GROWTH

1990	3.2%
1990	4.6%
1988	5.1%
1987	3.9%
1986	2.8%

State of Oregon
EMPLOYMENT DIVISION
Department of Human Resources

Research and Statistics
March 1990 Benchmark
April 1991

OREGON RESIDENT LABOR FORCE, UNEMPLOYMENT & EMPLOYMENT 1989 1/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
CIVILIAN LABOR FORCE	1,475.0	1,462.0	1,469.0	1,463.7	1,481.2	1,471.6	1,502.5	1,508.8	1,487.1	1,460.7	1,464.8	1,466.6	1,461.7
UNEMPLOYMENT	84.0	99.8	98.9	94.5	87.8	81.9	85.5	84.8	77.2	73.5	72.5	77.1	74.2
Percent of Labor Force	5.7	6.8	6.7	6.5	5.9	5.6	5.7	5.6	5.2	5.0	4.9	5.3	5.1
Seasonally Adjusted Percent	5.7	5.9	5.9	5.9	5.8	5.7	5.7	5.6	5.6	5.6	5.6	5.7	5.3
TOTAL EMPLOYMENT	1,391.0	1,362.2	1,370.1	1,369.2	1,393.4	1,389.7	1,417.0	1,424.0	1,409.9	1,387.2	1,392.3	1,389.5	1,387.5

OREGON NONAGRICULTURAL WAGE & SALARY EMPLOYMENT 1989 3/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
TOTAL WAGE & SALARY EMPLOYMENT	1,209.4	1,159.7	1,162.1	1,176.7	1,186.3	1,204.6	1,227.2	1,211.6	1,225.1	1,239.6	1,240.6	1,239.4	1,239.6
Wage & Salary Emp. Index (1977=100) 4/	129.1	126.7	126.4	127.5	127.5	128.3	129.3	129.5	130.0	130.6	130.4	130.8	131.7
GOODS PRODUCING 5/	266.0	248.7	245.7	250.6	254.5	259.7	271.7	277.4	283.6	282.4	276.7	271.1	269.3
SERVICE PRODUCING 6/	943.4	911.0	916.4	926.1	931.8	944.9	955.5	934.2	941.5	957.2	963.9	968.3	970.3
MANUFACTURING, TOTAL	218.4	209.1	206.5	208.5	209.9	212.6	222.5	226.5	231.3	229.5	224.6	220.6	219.3
Durable Goods	159.7	156.4	152.2	154.5	154.5	156.8	163.2	164.9	165.1	164.5	161.2	160.7	161.8
Lumber & Wood Products	67.3	67.5	63.1	63.5	63.8	64.6	70.1	70.5	70.3	69.8	68.6	68.1	67.3
Logging	12.5	11.7	11.4	11.0	10.8	11.6	13.2	13.6	13.8	13.8	13.5	13.0	12.1
Sawmills	22.7	22.2	21.3	21.6	22.1	22.3	23.6	23.7	23.6	23.3	22.9	22.8	22.9
Veneer & Plywood	15.7	17.3	14.6	14.7	14.6	14.4	16.4	16.5	16.1	15.0	15.8	15.8	15.9
Millwork & Structural Wood	10.4	10.1	10.1	10.4	10.4	10.5	10.7	10.6	10.6	10.5	10.4	10.5	10.5
Mobile Homes	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Other Wood Products	4.2	4.4	3.9	4.0	4.1	4.0	4.4	4.3	4.4	4.4	4.2	4.2	4.1
Furniture & Fixtures	3.0	2.9	2.9	3.0	2.9	3.0	3.0	3.0	3.1	3.1	3.1	3.1	3.1
Stone, Clay, Glass, & Concrete	4.2	4.0	3.9	4.0	4.1	4.3	4.3	4.4	4.4	4.4	4.4	4.3	4.2
Primary Metals	10.8	10.4	10.4	10.6	10.7	10.7	11.0	11.2	11.3	11.1	10.9	10.9	10.9
Blast Furnaces, Iron & Steel	5.6	5.3	5.4	5.5	5.5	5.5	5.6	5.7	5.8	5.7	5.6	5.6	5.6
Nonferrous Metals	5.3	5.1	5.0	5.1	5.2	5.2	5.4	5.5	5.5	5.4	5.3	5.3	5.3
Fabricated Metals	12.4	12.2	12.4	12.7	12.7	12.5	12.4	12.4	12.5	12.3	12.2	12.3	12.2
Fabricated Structural Metals	5.3	5.3	5.5	5.7	5.7	5.4	5.2	5.1	5.2	5.0	5.0	5.0	5.0
Other Fabricated Metals	7.1	6.9	6.9	7.0	7.0	7.1	7.2	7.3	7.3	7.3	7.2	7.3	7.2
Machinery	17.8	16.9	17.0	17.1	17.4	17.7	17.9	18.2	18.4	18.3	18.4	18.4	18.3
Office & Computing Machines	4.5	4.2	4.2	4.2	4.3	4.4	4.5	4.6	4.8	4.8	4.8	4.8	4.7
Other Machinery	13.3	12.7	12.8	12.9	13.1	13.3	13.4	13.6	13.6	13.5	13.6	13.6	13.6
Electronic & Other Electric Equip.	15.7	15.1	14.9	15.1	15.0	15.3	15.6	15.9	16.2	16.3	16.3	16.5	16.7
Transportation Equipment	11.6	11.0	11.1	11.8	11.2	12.1	12.0	12.4	12.1	12.4	10.5	10.4	12.6
Instruments & Related Products	12.5	12.6	12.6	12.7	12.7	12.7	12.8	12.8	12.7	12.7	12.5	12.4	12.5
Miscellaneous Manufacturing	4.1	3.8	3.9	4.0	4.0	3.9	4.1	4.1	4.1	4.1	4.3	4.3	4.0
Nondurable Goods	58.8	52.7	54.3	54.0	55.4	55.8	59.3	61.6	66.2	65.0	63.4	59.9	57.5
Food & Kindred Products	23.6	19.4	20.1	19.5	20.6	20.8	23.8	26.0	30.2	29.2	27.6	24.0	21.5
Canning & Preserving	12.7	9.2	9.9	9.4	10.3	10.1	12.9	15.0	19.1	18.0	16.1	12.4	10.1
Other Food Products	10.9	10.2	10.2	10.1	10.3	10.7	10.9	11.0	11.1	11.2	11.5	11.6	11.4
Textile Mill Products	1.8	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.7	1.7
Apparel	2.7	2.6	2.6	2.7	2.7	2.6	2.7	2.7	2.8	2.8	2.8	2.9	2.9
Paper & Allied Products	9.1	8.4	9.1	9.0	9.0	9.1	9.3	9.3	9.3	9.2	9.1	9.1	9.2
Printing & Publishing	13.5	13.1	13.1	13.2	13.3	13.4	13.5	13.5	13.6	13.6	13.8	13.9	14.0
Chemicals & Allied Products	2.2	2.1	2.1	2.1	2.2	2.2	2.2	2.3	2.3	2.3	2.2	2.2	2.2
Petroleum & Asphalt Products	0.6	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.7	0.7	0.6	0.6	0.6
Rubber & Plastic Products	4.9	4.6	4.7	4.8	4.9	4.9	5.0	5.0	5.0	4.9	5.0	5.0	4.9
Leather Products	0.5	0.4	0.5	0.5	0.5	0.5	0.4	0.4	0.5	0.5	0.5	0.5	0.5
NONMANUFACTURING, TOTAL	991.0	950.6	955.6	968.2	976.4	992.0	1,004.7	985.1	993.8	1,010.1	1,016.0	1,018.8	1,020.3
Mining & Quarrying	1.5	1.1	1.1	1.3	1.3	1.5	1.5	1.7	1.6	1.6	1.6	1.6	1.5
Construction	46.1	38.5	38.1	40.8	43.3	45.6	47.7	49.2	50.7	51.3	50.5	48.9	48.5
Building Construction	11.7	9.8	10.1	11.1	11.4	11.8	11.9	12.1	12.5	12.5	12.6	12.3	12.4
Heavy Construction	6.7	5.0	4.7	5.3	6.2	6.9	7.4	7.8	8.0	8.2	7.5	6.8	6.3
Special Trade Contractors	27.7	23.7	23.3	24.4	25.7	26.9	28.4	29.3	30.2	30.6	30.4	29.8	29.8

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Transport., Comm., & Utilities	63.1	61.0	61.1	61.1	61.8	62.4	63.2	63.5	64.2	64.8	64.3	64.4	65.5
Transportation	41.7	40.1	40.1	40.0	40.6	41.1	41.7	41.9	42.6	43.2	42.9	42.9	43.8
Railroad Transportation	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.8
Trucking & Warehousing	24.1	23.0	22.9	22.8	23.0	23.4	24.0	24.6	25.0	25.0	24.9	24.8	25.6
Other Transportation	13.8	13.2	13.3	13.3	13.7	13.8	13.8	13.4	13.7	14.3	14.1	14.2	14.4
Communications	12.5	12.4	12.4	12.4	12.4	12.4	12.5	12.6	12.6	12.7	12.6	12.6	12.7
Utilities	8.8	8.5	8.6	8.7	8.8	8.9	9.0	9.0	9.0	8.9	8.8	8.9	9.0
Wholesale & Retail Trade	305.9	294.5	292.6	295.6	297.8	303.6	308.9	308.1	311.9	313.4	311.7	315.3	317.3
Wholesale Trade	76.4	74.5	74.9	75.7	75.3	75.7	76.7	77.0	78.3	78.6	77.3	76.8	76.3
Durable Goods	44.4	44.0	44.0	44.4	44.1	44.4	45.0	44.9	45.0	45.0	44.2	43.9	43.8
Machinery, Equipment, & Sup.	10.5	10.4	10.3	10.4	10.5	10.5	10.7	10.6	10.6	10.6	10.5	10.3	10.3
Other Durable Goods	33.9	33.6	33.7	34.0	33.6	33.9	34.3	34.3	34.4	34.4	33.7	33.6	33.5
Nondurable Goods	32.0	30.5	30.9	31.3	31.2	31.3	31.7	32.1	33.3	33.6	33.1	32.9	32.5
Groceries & Related Products	12.2	11.7	11.8	11.8	11.6	11.5	11.6	11.8	13.0	13.4	13.2	12.9	12.5
Other Nondurable Goods	19.8	18.8	19.1	19.5	19.6	19.8	20.1	20.3	20.3	20.2	19.9	20.0	20.0
Retail Trade	229.5	220.0	217.7	219.9	222.5	227.9	232.2	231.1	233.6	234.8	234.4	238.5	241.0
Building Materials & Garden Sup.	7.8	6.9	7.0	7.4	7.8	8.1	8.3	8.3	8.3	8.2	8.0	7.9	7.8
General Merchandise Stores	29.7	29.3	27.7	27.3	27.4	27.7	28.2	28.6	29.3	30.6	31.7	33.9	34.9
Food Stores	38.8	37.1	36.8	37.2	37.7	39.4	39.7	40.0	39.9	39.5	39.5	39.3	39.7
Auto Dealers & Service Stations	28.6	27.8	28.1	28.3	28.8	29.0	29.2	29.1	29.2	29.1	28.5	28.4	28.0
Apparel & Accessory Stores	9.7	9.4	9.0	9.0	8.9	9.2	9.9	9.7	9.9	9.8	9.7	10.6	11.1
Furniture & Home Furnishings	9.2	9.0	9.0	9.0	8.9	9.0	9.0	8.9	9.3	9.3	9.4	9.6	10.0
Eating & Drinking Places	81.7	77.0	77.0	78.5	80.1	82.3	84.7	83.8	84.5	84.6	82.9	82.4	82.1
Miscellaneous Retail	23.9	23.5	23.1	23.2	22.9	23.2	23.2	22.7	23.2	23.7	24.7	26.4	27.4
Finance, Insurance, and Real Estate	75.9	73.1	73.6	74.3	74.7	75.4	76.2	77.1	77.5	77.6	76.7	76.9	77.5
Finance	28.1	27.6	27.6	27.8	27.7	27.8	27.9	28.2	28.3	28.4	28.4	28.4	28.6
Insurance	22.3	22.1	22.2	22.2	22.2	22.3	22.4	22.4	22.4	22.4	22.5	22.4	22.5
Real Estate	25.5	23.4	23.8	24.3	24.8	25.3	25.9	26.5	26.8	26.8	25.8	26.1	26.4
Services	282.9	268.1	272.2	276.2	278.9	281.5	283.6	286.2	288.9	292.4	289.0	288.7	289.2
Hotels & Other Lodging Places	18.5	16.5	16.8	17.2	18.0	18.4	19.6	20.3	20.5	20.0	18.9	18.1	17.7
Personal Services	10.7	10.7	11.0	11.2	11.1	10.7	10.5	10.4	10.5	10.7	10.7	10.6	10.7
Business Services	47.9	43.8	44.7	45.3	46.1	47.3	48.1	48.4	49.3	50.7	50.3	50.4	50.5
Automotive & Misc. Repair Services	15.7	14.4	14.6	14.9	15.3	15.6	15.8	15.9	16.2	16.3	16.3	16.2	16.4
Motion Pictures & Amusements	14.3	13.5	13.6	14.0	14.2	14.6	14.6	15.3	15.6	15.2	13.4	13.9	14.1
Health Services	82.0	79.7	80.1	80.9	80.8	81.2	82.2	83.0	83.6	83.5	82.7	83.0	83.5
Legal Services	8.7	8.5	8.6	8.6	8.6	8.7	8.9	8.8	8.9	8.8	8.8	8.8	8.9
Private Education	14.5	14.6	15.4	15.4	15.6	15.2	12.6	11.8	12.0	14.8	15.6	15.5	14.9
Social Services	25.3	23.6	23.9	24.2	24.1	24.7	25.0	25.7	25.7	26.4	26.8	26.7	26.7
Engineering & Management Services	19.0	18.2	18.8	19.3	19.4	19.0	19.0	18.9	18.9	18.9	18.9	19.1	19.3
Other Services & NEC	26.3	24.6	24.7	25.2	25.7	26.1	27.3	27.7	27.7	27.1	26.6	26.4	26.5
Government	215.6	214.3	216.9	218.9	218.6	222.0	223.6	199.3	199.0	209.0	222.2	223.0	220.8
Federal Government	32.5	30.9	30.2	30.2	31.3	32.1	33.7	34.6	34.5	34.5	33.5	32.3	32.4
State Government	59.2	59.0	60.2	60.7	60.1	60.5	61.7	56.4	56.6	55.4	59.9	60.1	59.8
Education	24.2	24.5	25.6	25.8	25.4	25.7	25.8	20.5	20.1	20.1	25.3	25.8	25.5
Other State	35.0	34.5	34.6	34.9	34.7	34.8	35.9	35.9	36.5	35.3	34.6	34.3	34.3
Local Government	123.9	124.4	126.5	128.0	127.2	129.4	128.2	108.3	107.9	119.1	128.8	130.6	128.6
Education	77.0	79.8	81.7	82.7	81.7	82.4	79.8	59.4	58.5	70.7	81.7	84.0	82.1
Other Local	46.9	44.6	44.8	45.3	45.5	47.0	48.4	48.9	49.4	48.4	47.1	46.6	46.5
LABOR-MANAGEMENT DISPUTES	1.8	1.2	3.8	3.8	3.8	3.6	0.3	0.3	0.3	0.4	2.0	2.0	0.4

1/ Includes employed and unemployed individuals 16 years and older by place of residence. Data are adjusted for multiple job-holding and commuting. Includes nonagriculture wage and salary, self-employed, unpaid family workers, domestics, agriculture and labor disputants. ALL DATA ARE IN THOUSANDS.

2/ Sum of monthly estimates divided by 12. Unemployment rate derived by dividing unemployment by civilian labor force.

3/ This nonagricultural wage and salary employment series is based on the 1987 Standard Industrial Classification (SIC) manual. The data are by place of work and persons working multiple jobs are counted more than once. Workers involved in labor-management disputes are excluded from the wage and salary employment totals. ALL DATA ARE IN THOUSANDS.

4/ Total nonagricultural wage and salary employment, seasonally adjusted and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's annual average employment (774.3) and that of 1977 (936.9).

5/ Goods producing industries include manufacturing, mining, and construction.

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State of Oregon
EMPLOYMENT DIVISION
Department of Human Resources

Research and Statistics
March 1990 Benchmark
April 1991

OREGON RESIDENT LABOR FORCE, UNEMPLOYMENT & EMPLOYMENT 1990 1/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
CIVILIAN LABOR FORCE	1,491.0	1,458.6	1,451.5	1,440.0	1,459.5	1,488.4	1,518.1	1,515.5	1,531.9	1,511.4	1,513.6	1,508.4	1,495.2
UNEMPLOYMENT	82.0	87.2	90.8	82.2	74.8	75.3	80.6	85.1	79.1	77.8	78.4	83.3	89.5
Percent of Labor Force	5.5	6.0	6.3	5.7	5.1	5.1	5.3	5.6	5.2	5.1	5.2	5.5	6.0
Seasonally Adjusted Percent	5.5	5.0	5.4	5.2	5.0	5.2	5.3	5.6	5.5	5.7	5.8	5.9	6.2
TOTAL EMPLOYMENT	1,409.0	1,371.4	1,360.7	1,357.8	1,384.7	1,413.1	1,437.5	1,430.4	1,452.8	1,433.6	1,435.2	1,425.1	1,405.7

OREGON NONAGRICULTURAL WAGE & SALARY EMPLOYMENT 1990 3/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
TOTAL WAGE & SALARY EMPLOYMENT	1,248.1	1,206.5	1,209.3	1,224.4	1,238.8	1,253.3	1,264.3	1,247.6	1,261.8	1,267.6	1,274.1	1,269.6	1,260.1
Wage & Salary Emp. Index (1977=100) 4/	133.2	131.9	131.7	132.7	133.1	133.5	133.2	133.3	133.8	133.6	133.9	134.0	133.9
GOODS PRODUCING 5/	272.9	261.7	260.1	264.4	267.8	272.0	277.0	284.2	289.2	285.3	279.0	269.7	264.5
SERVICE PRODUCING 6/	975.2	944.8	949.2	960.0	971.0	981.3	987.3	963.4	972.6	982.3	995.1	999.9	995.6
MANUFACTURING, TOTAL	218.8	215.0	214.0	215.1	215.2	217.8	221.9	227.0	230.4	226.1	219.7	213.4	210.2
Durable Goods	158.1	158.8	157.2	158.4	158.0	159.5	160.7	161.7	161.8	159.8	156.5	153.6	151.5
Lumber & Wood Products	63.6	65.5	64.0	64.5	64.4	64.7	65.6	66.0	65.4	64.1	61.9	59.2	57.5
Logging	11.1	11.0	10.3	10.1	10.2	10.9	11.7	11.9	12.2	12.2	11.9	10.6	9.7
Sawmills	21.6	22.5	22.5	22.5	22.3	22.3	22.1	22.1	21.8	21.3	20.5	19.9	19.7
Veneer & Plywood	14.3	15.8	15.0	15.5	15.4	14.9	14.8	14.8	14.2	13.6	12.9	12.4	11.9
Millwork & Structural Wood	10.6	10.4	10.4	10.5	10.6	10.7	11.0	11.0	10.9	10.7	10.4	10.2	10.1
Mobile Homes	2.0	1.8	1.8	1.8	1.8	1.9	1.9	2.0	2.1	2.1	2.1	2.1	2.2
Other Wood Products	4.1	4.0	4.0	4.1	4.1	4.0	4.1	4.2	4.2	4.2	4.1	4.0	3.9
Furniture & Fixtures	3.1	3.0	3.1	3.1	3.1	3.1	3.1	3.1	3.2	3.3	3.4	3.1	3.0
Stone, Clay, Glass, & Concrete	4.3	4.1	4.0	4.2	4.2	4.2	4.4	4.4	4.5	4.5	4.5	4.4	4.2
Primary Metals	11.2	11.0	11.0	11.0	11.1	11.1	11.2	11.5	11.4	11.4	11.4	11.3	11.3
Blast Furnaces, Iron & Steel	5.7	5.6	5.6	5.6	5.6	5.6	5.6	5.8	5.7	5.7	5.8	5.8	5.8
Nonferrous Metals	5.5	5.4	5.4	5.4	5.5	5.5	5.6	5.7	5.7	5.7	5.6	5.5	5.5
Fabricated Metals	11.6	11.8	11.7	11.6	11.4	11.5	11.7	11.8	11.8	11.8	11.7	11.5	11.3
Fabricated Structural Metals	5.0	4.9	4.9	4.9	4.8	4.9	5.1	5.1	5.1	5.1	5.1	5.1	4.8
Other Fabricated Metals	6.7	6.9	6.8	6.7	6.6	6.6	6.6	6.7	6.7	6.7	6.6	6.4	6.5
Machinery	17.7	17.8	17.9	18.0	18.0	18.0	18.1	18.1	17.8	17.7	17.3	17.1	16.7
Office & Computing Machines	4.5	4.5	4.6	4.6	4.6	4.6	4.6	4.6	4.4	4.5	4.5	4.4	4.2
Other Machinery	13.2	13.3	13.3	13.4	13.4	13.4	13.5	13.5	13.4	13.2	12.8	12.7	12.5
Electronic & Other Electric Equip.	17.5	17.0	17.1	17.3	17.3	17.5	17.4	17.5	17.8	17.8	17.7	17.7	17.7
Transportation Equipment	13.1	12.4	12.1	12.4	12.2	13.2	13.0	13.2	14.1	13.6	13.1	13.8	14.0
Instruments & Related Products	12.0	12.5	12.5	12.4	12.4	12.2	12.1	11.9	11.7	11.6	11.6	11.6	11.9
Miscellaneous Manufacturing	4.0	3.7	3.8	3.9	3.9	4.0	4.1	4.2	4.1	4.0	3.9	3.9	3.9
Nondurable Goods	60.7	56.2	56.8	56.7	57.2	58.3	61.2	65.3	68.6	66.3	63.2	59.8	58.7
Food & Kindred Products	24.6	20.6	21.1	21.6	21.7	22.3	24.9	28.7	31.8	29.8	26.7	23.5	22.5
Canning & Preserving	13.1	9.6	10.2	10.5	10.6	10.9	13.5	17.1	20.0	18.1	14.5	11.4	10.6
Other Food Products	11.5	11.0	10.9	11.1	11.1	11.4	11.4	11.6	11.8	11.7	12.2	12.1	11.9
Textile Mill Products	1.6	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Apparel	2.9	2.8	2.8	2.8	2.9	2.9	2.9	2.8	2.9	2.8	2.9	2.8	2.9
Paper & Allied Products	9.1	9.0	9.0	8.5	8.7	9.1	9.4	9.6	9.5	9.3	9.2	9.2	9.2
Printing & Publishing	14.1	13.9	13.9	13.9	13.9	14.0	14.0	14.1	14.2	14.3	14.4	14.5	14.4
Chemicals & Allied Products	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.4	2.4	2.4	2.3	2.3	2.3
Petroleum & Asphalt Products	0.6	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Rubber & Plastic Products	5.0	4.9	4.9	4.9	5.0	5.0	5.0	5.1	5.1	5.0	5.0	4.8	4.7
Leather Products	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.5	0.5	0.5	0.5	0.5
NONMANUFACTURING, TOTAL	1,029.3	991.5	995.3	1,009.3	1,023.6	1,035.5	1,042.4	1,020.6	1,031.4	1,041.5	1,054.4	1,056.2	1,049.9
Mining & Quarrying	1.6	1.3	1.3	1.3	1.5	1.6	1.6	1.7	1.8	1.8	1.8	1.7	1.6
Construction	52.5	45.4	44.8	48.0	51.1	52.6	53.5	55.5	57.0	57.4	57.5	54.6	52.7
Building Construction	13.0	11.9	12.1	13.0	13.6	13.6	13.6	13.4	13.8	13.7	13.2	12.4	12.2
Heavy Construction	7.1	5.3	5.0	5.7	6.8	7.3	7.7	8.0	8.6	8.5	8.6	7.3	6.8
Special Trade Contractors	32.3	28.2	27.7	29.3	30.7	31.7	32.2	34.1	34.6	35.2	35.7	34.9	33.7

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Transport., Comm., & Utilities	63.8	63.1	62.9	63.3	63.3	64.0	64.1	63.4	64.2	64.1	64.5	64.3	64.3
Transportation	42.4	41.7	41.5	41.8	42.0	42.5	42.5	42.1	42.7	42.9	43.3	43.1	43.2
Railroad Transportation	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.7
Trucking & Warehousing	24.4	23.8	23.6	24.0	23.9	24.3	24.6	24.6	24.8	24.6	24.7	24.6	25.0
Other Transportation	14.3	14.1	14.1	14.0	14.3	14.4	14.1	13.7	14.1	14.5	14.8	14.7	14.5
Communications	12.3	12.5	12.5	12.3	12.2	12.3	12.3	12.1	12.3	12.3	12.3	12.3	12.2
Utilities	9.1	8.9	8.9	9.2	9.1	9.2	9.3	9.2	9.2	8.9	8.9	8.9	8.9
Wholesale & Retail Trade	313.2	303.3	299.6	302.6	306.6	310.0	313.9	315.8	324.1	320.1	318.2	321.4	323.0
Wholesale Trade	79.5	76.2	76.6	77.7	78.0	78.5	79.0	79.5	81.8	82.0	81.8	81.3	81.1
Durable Goods	45.9	44.4	44.6	45.2	45.6	45.9	46.5	46.5	46.8	46.3	46.5	46.5	46.5
Machinery, Equipment, & Sup.	10.8	10.5	10.5	10.6	10.7	10.8	10.9	10.9	10.9	10.9	10.9	10.9	10.8
Other Durable Goods	35.2	33.9	34.1	34.6	34.9	35.1	35.6	35.6	35.9	35.4	35.6	35.6	35.7
Nondurable Goods	33.5	31.8	32.0	32.5	32.4	32.6	32.5	33.0	35.0	35.7	35.3	34.8	34.6
Groceries & Related Products	12.8	12.0	12.0	12.0	11.7	11.6	11.8	12.1	13.9	14.6	14.2	13.7	13.5
Other Nondurable Goods	20.8	19.8	20.0	20.5	20.7	21.0	20.7	20.9	21.1	21.1	21.1	21.1	21.1
Retail Trade	233.8	227.1	223.0	224.9	228.6	231.5	234.9	236.3	242.3	238.1	236.4	240.1	241.9
Building Materials & Garden Sup.	8.8	7.7	7.8	8.2	8.7	8.8	9.1	9.2	9.5	9.3	9.2	9.1	8.8
General Merchandise Stores	30.5	31.3	29.5	29.0	29.3	29.4	29.8	30.3	30.6	30.3	30.6	32.1	33.9
Food Stores	39.5	38.0	37.6	37.9	38.3	38.8	39.6	40.3	44.6	40.7	39.7	39.5	39.3
Auto Dealers & Service Stations	28.0	27.4	27.3	27.5	28.0	28.3	28.2	28.2	28.6	28.4	28.3	28.0	27.8
Apparel & Accessory Stores	10.0	9.7	9.2	9.2	9.3	9.5	10.2	10.6	10.4	10.0	10.1	10.9	11.3
Furniture & Home Furnishings	9.6	9.6	9.4	9.6	9.5	9.6	9.7	9.4	9.5	9.5	9.5	9.8	9.9
Eating & Drinking Places	83.2	79.3	78.7	79.9	81.9	83.5	85.2	85.5	85.9	86.6	84.6	84.0	83.3
Miscellaneous Retail	24.1	24.1	23.5	23.6	23.6	23.6	23.1	22.8	23.2	23.3	24.4	26.7	27.6
Finance, Insurance, and Real Estate	79.2	76.1	77.0	77.6	78.3	79.2	79.9	80.8	80.6	80.6	80.0	79.9	80.4
Finance	28.5	28.3	28.4	28.3	28.3	28.4	28.4	28.7	28.7	28.7	28.4	28.4	28.4
Insurance	22.9	22.3	22.6	22.8	22.8	23.0	23.0	23.1	23.0	23.0	22.9	22.9	23.0
Real Estate	27.9	25.5	26.0	26.5	27.2	27.8	28.5	29.0	28.9	28.9	28.7	28.6	29.0
Services	295.9	282.8	286.8	291.8	295.6	295.8	295.6	296.5	299.2	301.6	302.4	301.3	300.8
Hotels & Other Lodging Places	19.6	17.0	17.5	18.1	19.0	19.7	20.9	21.7	21.8	20.9	20.3	19.4	18.9
Personal Services	11.1	10.9	11.2	11.3	11.4	10.8	10.9	10.9	11.0	11.1	11.1	11.1	10.9
Business Services	50.1	48.0	47.8	49.1	50.0	50.6	50.9	50.1	51.8	51.8	50.9	50.2	50.1
Automotive & Misc. Repair Services	16.8	15.8	16.0	16.4	16.7	16.9	16.8	17.0	17.4	17.1	17.3	17.1	17.1
Motion Pictures & Amusements	14.1	14.0	14.3	14.8	15.0	14.1	14.1	14.2	14.1	13.8	13.1	13.2	14.4
Health Services	85.0	83.0	83.4	84.1	83.9	84.2	84.9	85.5	85.5	86.2	86.3	86.6	86.7
Legal Services	8.9	8.7	8.7	8.8	8.7	8.8	9.0	9.1	9.2	9.0	8.9	8.9	8.9
Private Education	15.1	14.8	15.7	15.7	15.4	14.4	12.6	11.9	11.8	15.4	17.9	17.8	17.2
Social Services	27.0	26.1	26.4	26.6	27.3	27.8	26.6	26.3	26.3	27.3	27.7	28.1	28.0
Engineering & Management Services	20.8	19.2	20.1	20.5	21.2	20.9	20.9	21.0	21.2	21.0	21.2	21.4	21.4
Other Services & NEC	27.4	25.3	25.7	26.4	27.0	27.6	28.0	28.8	29.1	28.0	27.7	27.5	27.2
Government	223.2	219.5	222.9	224.7	227.2	232.3	233.8	206.9	204.5	215.9	230.0	233.0	227.1
Federal Government	34.1	31.7	31.2	31.8	34.5	36.6	37.8	36.2	35.0	35.3	33.9	33.1	32.4
State Government	60.6	59.5	60.8	61.2	60.8	61.3	62.8	58.2	57.8	57.5	62.6	62.5	61.7
Education	24.8	24.9	26.3	26.3	26.0	26.0	26.2	21.3	20.6	20.9	26.3	26.8	26.2
Other State	35.7	34.6	34.5	34.9	34.8	35.3	36.6	36.9	37.2	36.6	36.3	35.7	35.5
Local Government	128.5	128.3	130.9	131.7	131.9	134.4	133.2	112.5	111.7	123.1	133.5	137.4	133.0
Education	79.7	81.7	84.1	84.5	84.0	85.3	82.8	62.0	60.8	73.8	84.9	87.1	85.0
Other Local	48.8	46.6	46.8	47.2	47.9	49.1	50.4	50.5	50.9	49.3	48.6	50.3	48.0
LABOR-MANAGEMENT DISPUTES	0.4	0.5	0.6	0.9	0.9	0.5	0.3	0.4	0.6	0.3	0.3	0.0	0.0

1/ Includes employed and unemployed individuals 16 years and older by place of residence. Data are adjusted for multiple job-holding and commuting. Includes nonagriculture wage and salary, self-employed, unpaid family workers, domestics, agriculture and labor disputants. ALL DATA ARE IN THOUSANDS.

2/ Sum of monthly estimates divided by 12. Unemployment rate derived by dividing unemployment by civilian labor force.

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5/ Goods producing industries include manufacturing, mining, and construction.

6/ Service producing industries include transportation, communications, & utilities; trade; finance, insurance, & real estate; services; and government.

Turning to the industry level changes between 1989 and 1990, an accompanying table shows each major industry and its annual average employment totals for these years. Manufacturing as a whole only grew by 400 jobs, or 0.2%. The big reason for this lackluster performance was of course the closures and cutbacks at many lumber and wood products mills. Lumber and wood products manufacturing continued to employ fewer people in 1990, as employment totals dropped by 3,700. Food & kindred products had a strong year, particularly in the summer and fall; this sector grew by 4.2%. The "high-tech" sector which includes electronic and other electrical equipment and components, measuring, analyzing, and controlling instruments, and computer and office equipment grew by 3.7%.

In nonmanufacturing, construction experienced tremendous growth of 13.9%. At an annual average of 52,500, construction employed more Oregonians in 1990 than in any year since 1979, when 53,000 worked in the industry.

Services, which was the most prominent producer of new jobs in the 1980s, started out the 1990s once again as the leader. Services added a net 13,000 new jobs in 1990, nearly twice as many as any other major industry sector, and equivalent to 4.6% growth for the year.

Government grew by 3.5%, more than the 3.2% average growth for total wage & salary employment. This government growth, which was faster than the average for other sectors, should be viewed in light of the added workers who completed the work on the U.S. Census. The 4.9% growth in federal government would not have been as large had it not been for this decennial head count.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY MAJOR INDUSTRY CHANGE: 1990 VS. 1989 ANNUAL AVERAGES

INDUSTRY	1990 AA	1989 AA	ACTUAL CHANGE	PERCENT CHANGE
TOTAL WAGE & SALARY	1,248,100	1,209,400	38,700	3.2
Goods Producing	272,900	266,000	6,900	2.6
Service Producing	975,200	943,400	31,800	3.4
Total Manufacturing	218,800	218,400	400	0.2
Lumber & Wood Products	63,600	67,300	(3,700)	-5.5
"High-tech" Industries	34,000	32,800	1,200	3.7
Other Durables	60,500	59,600	900	1.5
Food & Kindred Products	24,600	23,600	1,000	4.2
Other Nondurables	36,100	35,200	900	2.6
Total Nonmanufacturing	1,029,300	991,000	38,300	3.9
Mining & Quarrying	1,600	1,500	100	6.7
Construction	52,500	46,100	6,400	13.9
Transport., Comm., & Utilities	63,800	63,100	700	1.1
Wholesale & Retail Trade	313,200	305,900	7,300	2.4
Wholesale Trade	79,500	76,400	3,100	4.1
Retail Trade	233,800	229,500	4,300	1.9
Finance, Insurance, and Real Estate	79,200	75,900	3,300	4.3
Services	295,900	282,900	13,000	4.6
Government	223,200	215,600	7,600	3.5
Federal Government	34,100	32,500	1,600	4.9
State Government	60,600	59,200	1,400	2.4
Local Government	128,500	123,900	4,600	3.7
LABOR-MANAGEMENT DISPUTES	400	1,800	(1,400)	-77.8

Another accompanying table shows the industries which performed the best and the worst in 1990. The biggest winners were in construction, where several sectors came through with large percentage gains: special trade contractors and building construction. Even the retail sector of construction reflected the strong construction demand, as building materials & garden supplies recorded a 12.8% growth rate. Note that one of the high-tech sectors shows up as a percentage growth winner: electronic & other electric equipment manufacturing, which posted an 11.5% growth rate. Two of the services industries, health services and business services, made it to the top of the "actual change" winners column.

The losers make up a who's who in lumber and wood products. Veneer & plywood, logging, and sawmills had the largest actual declines in employment, while logging had the largest percentage employment decline. Other manufacturing industries reduced employment levels as well, with instruments & related products and fabricated metals both showing large declines.

Tables containing all of the revised employment totals for 1989 and 1990 are provided elsewhere in this publication. ☐

WINNERS AND LOSERS — ANNUAL AVERAGE EMPLOYMENT CHANGE, 1989 TO 1990

ACTUAL CHANGE

WINNERS		LOSERS	
Special Trade Contractors	+ 4,600	Veneer and Plywood	- 1,400
Health Services	+ 3,000	Logging	- 1,400
Local Government Education	+ 2,700	Sawmills	- 1,100
Real Estate	+ 2,400	Fabricated Metals	- 800
Business Services	+ 2,200	Instruments & Related Products	- 600

PERCENT CHANGE

WINNERS		LOSERS	
Special Trade Contractors	+ 16.6%	Logging	- 11.2%
Transportation Equipment, Mfg.	+ 12.9%	Textile Mill Products	- 11.1%
Building Materials & Garden Supplies, Retail	+ 12.8%	Veneer & Plywood	- 8.9%
Electronic & Other Elect. Equip., Mfg.	+ 11.5%	Fabricated Structural Metals	- 5.7%
Building Construction	+ 11.1%	Other Fabricated Metals	- 5.6%

THE TWO OREGONS
Comparing Economic Conditions in Rural & Urban Counties

Tami Miller

(Editor's note: Tami Miller is staff to the Joint Legislative Trade & Economic Development Committee.)

The flower of economic recovery is in full bloom in Portland — employment is improving, per capita income is growing, and new businesses are sprouting up throughout the tri-county region. Yet, in much of rural Oregon, the seeds of recovery have scarcely begun to grow. Lagging far behind the urban areas of the Willamette Valley, many rural Oregon communities have not responded to improved economic conditions — mills remain closed, hospitals are shutting their doors, and jobs lost have not been recovered.

In addition, two new events are threatening to keep rural recovery at a standstill. First, a number of rural, timber-dependent communities are faced with the imminent closure of their logging operations and wood products mills, due to reduced timber harvests and new environmental protection policies. Job loss estimates for the state run as high as 25,000 by 1995. Second, most economists agree that America has entered a national recession, one that will put the brakes on the economy in 1991.

The combination of the timber industry crisis and a recession, added to what is already a very difficult situation for much of rural Oregon, makes this a critical time for Oregon legislators, economic development practitioners, and rural leaders to look seriously at ways to strengthen and improve rural economies.

The Joint Legislative Committee on Trade and Economic Development is responding to the situation. The committee made rural economic development the focus of its interim hearings during the 1989-91 biennium. It also released a report on rural economies, entitled *The Two Oregons: Comparing Economic Conditions in Rural & Urban Counties*.

The Two Oregons attempts to measure the level of disparity between urban and rural areas of the state. Key indicators of economic health, such as population growth, migration patterns, income, wages, levels of education, and employment in major industries are compared.

The findings show that what economists have dubbed "The Two Oregons"—an economic division of the state into regions of haves and have nots—is not far from fact. While it is true that some rural communities, especially those in some central and southwestern counties, have made a remarkable recovery since the recession of the early 1980s, the rest of rural Oregon clearly lags its urban cousins in wages, income, and jobs. Most disturbing are the trends that indicate these gaps are not closing.

In particular, findings show that rural Oregon has the following characteristics:

2.4% higher average unemployment

16% lower real per capita income

13% lower average weekly wages

A slower rate of job recovery

Continuing reliance on the declining timber industry

Significant loss of jobs in high wage industries like timber, mining, and construction

A number of other trends raise specific concerns for the economic future of the state's rural regions:

Fewer College Graduates in Rural Areas

A rural resident is one-third less likely to be a college graduate than an urban resident. This has serious implications for economic development, because a rural workforce with less education will be less likely to develop or attract new industries that pay family wages, the kind of industries that require well educated, highly skilled workers.

More Rural Schools In Safety Net

Seventy-five percent of the 46 schools in the state's safety net are located in rural counties. Having their schools in the safety net jeopardizes the quality of education the schools can offer. It also puts these rural areas at a double disadvantage. First, poor schools may make it difficult to retain current residents with school-age children, and second, this circumstance may make it particularly difficult to attract new families and/or businesses that would employ new and existing residents.

Rural Unemployment Rates are Higher

Three-fourths of rural counties had unemployment rates above 7.0% in 1989, with the highest rate reported at 11.5%. Urban county unemployment rates averaged 5.0%; no urban county had an unemployment rate above 7.0%.

Rural Oregon Lags In Earnings Power

Real per capita income in rural Oregon lagged urban income by 16% in 1988. That gap has remained the same since 1984. In addition, average weekly wages were 13% lower than urban wages in 1989. Compared to the cost of living, the gap between rural and urban average weekly wages was 2% larger than the gap between the cost of living in rural and urban areas. Translation: it costs less to live in rural areas, but probably not enough less to fully compensate for the difference in average wages.

Fewer Jobs for Rural Oregonians

During the recessionary period between 1979 and 1982, jobs in rural Oregon declined by 11%. Urban jobs declined 8%. Since 1982, rural Oregon has retrieved its jobs more slowly, at only a 2.8% rate, while urban Oregon has added jobs at a 3.4% rate. Rural Oregon has lost proportionately more jobs and has been regaining them far more slowly than urban Oregon.

Rural Oregon Still Highly Dependent on Timber Industry

Rural Oregon has lost over 8,200 jobs in the timber industry since 1978, yet 14% of its jobs are still in wood products manufacturing. It is expected that another 11,100 jobs will be lost by 1995. Timber dependency in urban areas is much lower—only 4% of urban jobs are in wood products. Without economic diversification, rural area reliance on the timber industry will continue to leave it vulnerable to the devastating effects of downturns such as the state is now experiencing.

More Seniors Are Moving to Rural Areas

Rural Oregon is home to proportionately more seniors than urban Oregon, 3% more. Population trends indicate that more seniors are migrating from out-of-state and from urban areas to Oregon's rural environs. Data on transfer payments as a percentage of county income indicate that counties along the north coast, southwest border, and in the northeast corner of the state have the largest concentrations of seniors.

While an influx of seniors can have a positive impact on a community, it can also create demand for costly new infrastructure, such as expanded hospital and health care services. Seniors living on fixed incomes also can be resistant to change and new development, refusing to vote for tax increases needed to finance community growth.

How can these trends be reversed? And, how should the state respond? These are questions the Trade Committee asked of many rural residents, economists, economic development program managers, and rural development experts who testified during the interim. The most frequent response was not to provide more money, but to level the playing field between rural and urban areas by providing rural Oregon with the technical assistance and training it needs to accurately assess its economic opportunities, plan strategically for its future, and be competitive with urban areas for existing state and federal resources.

Trade Committee Responds with Rural Institute Bill

In response to this request, the Trade Committee is sponsoring SB 713, the Rural Revitalization and Leadership Development Act. The bill will provide for the financing and establishment of a Rural Development Institute that will provide comprehensive community development assistance and leadership training to rural Oregon.

"We want to help rural Oregonians develop the skills and capacity they need to help themselves," explains the Committee Co-Chair, Senator Wayne Fawbush. "In the past, our economic development efforts have focused on bricks and mortar—business recruitment and infrastructure projects. This strategy hasn't been successful in most areas. It didn't allow communities to build up the capacity needed to sustain development and good economic health from within."

"But, developing the skills and abilities of rural residents will," added House Co-Chair, Representative Ray Baum. "We want to make an investment in rural Oregonians, one that will pay significant, long term economic development dividends. We won't abandon rural infrastructure development, but we want to try to link our brick and mortar investments to sound analysis and planning based on a community's potential. And most importantly, we want rural communities to have the skills and assistance needed to determine what investments they want to make."

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Jan.[2] 1991	Dec.[3] 1990	Jan. 1990	Jan.[2] 1991	Dec.[3] 1990	Jan. 1990	Jan.[2] 1991	Dec.[3] 1990	Jan. 1990
TOTAL MANUFACTURING[4]	$440.45	$453.60	$428.07	38.4	40.0	38.6	$11.47	$11.34	$11.09
Durable Goods	439.68	454.86	432.62	38.4	39.9	38.8	11.45	11.40	11.15
Lumber & Wood Products	415.15	433.86	432.23	37.1	38.6	38.8	11.19	11.24	11.14
Logging & Sawmills	439.93	457.76	453.01	36.6	37.8	38.1	12.02	12.11	11.89
Veneer & Plywood	393.08	426.41	424.54	36.6	39.3	39.2	10.74	10.85	10.83
Millwork & Structural	368.01	362.52	393.31	37.9	38.0	40.8	9.71	9.54	9.64
Mobile Homes	349.90	393.96	350.97	36.6	40.2	37.1	9.56	9.80	9.46
Other Wood Products	446.31	478.16	428.29	40.5	43.0	38.9	11.02	11.12	11.01
Furniture & Fixtures	371.64	371.14	326.16	34.7	38.5	36.0	10.71	9.64	9.06
Primary Metals	547.38	536.36	468.23	42.4	42.3	37.7	12.91	12.68	12.42
Fabricated Metals	414.70	421.51	392.09	37.7	38.6	37.2	11.00	10.92	10.54
Machinery (Ex Electrical)	436.80	456.20	437.47	39.0	40.3	39.2	11.20	11.32	11.16
Nondurable Goods	442.37	452.79	414.91	38.4	40.5	38.1	11.52	11.18	10.89
Food & Kindred Products	351.61	377.34	346.82	36.1	40.1	36.7	9.74	9.41	9.45
Canning & Preserving	298.64	320.76	295.30	35.3	39.6	36.1	8.46	8.10	8.18
Other Food Products	414.04	442.00	405.42	37.1	40.7	37.4	11.16	10.86	10.84
Textile Mill Products	262.55	294.23	246.20	35.1	39.6	34.1	7.48	7.43	7.22
Apparel	268.60	277.61	261.02	37.1	39.1	38.9	7.24	7.10	6.71
Paper & Allied Products	692.66	675.38	646.80	43.4	42.8	42.0	15.96	15.78	15.40
Printing & Publishing	484.45	502.54	429.84	37.7	39.2	36.0	12.85	12.82	11.94
Construction[4]	571.51	575.28	546.93	34.7	36.0	35.4	16.47	15.98	15.45
Communications & Utilities[5]	597.37	614.79	594.05	41.0	41.4	41.6	14.57	14.85	14.28
Trade[5]	268.40	333.70	313.56	30.5	35.5	33.5	8.80	9.40	9.36
Wholesale Trade	429.00	448.87	417.01	37.5	39.1	37.2	11.44	11.48	11.21
Retail Trade	214.60	277.35	263.11	28.2	33.7	31.7	7.61	8.23	8.30
Banking & Insurance[5]	372.60	399.06	338.33	36.0	39.2	34.7	10.35	10.18	9.75
State & Local Government	424.90	424.85	405.15						

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[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Prior to 1991, data for retail trade excludes eating and drinking places.*

The Institute will offer two specific types of assistance to rural communities. First, it will engage rural communities in a development process that will involve assessing their social and economic strengths, weaknesses, and opportunities, as well as any obstacles or threatening events that may face them. Assessments will be followed up with a strategic planning effort by the community. Strategic plans will identify where communities would like to see themselves in the future and map out a course of actions and projects needed to reach their goals.

The process does not stop there. The Institute will also provide leadership training to community residents. The training will be designed to provide residents with the skills they needed to make the community planning and development process more effective. They will be taught how to facilitate consensus, manage conflicts, build community support, lead group meetings, craft an agenda, and other leadership skills. The leadership program will also provide training in public speaking and presentation and will teach participants how to work with local and state governments, federal programs, and the legislature.

Hearings on SB 714 will be scheduled for mid-March. For more information about The Two Oregons or the the Rural Institute proposal, please call the Trade Committee Office at 378-8811. ☐

RURAL OREGON SUMMARY STATISTICS

	RURAL	URBAN	STATE
POPULATION - 1990	892,180	*1,899,000	2,791,180

Includes Clackamas, Jackson, Lane, Marion, Multnomah, Polk, Washington and Yamhill counties.

AGE DISTRIBUTION - 1988

AGES	RURAL	%	URBAN	%	STATE
0-17	225,611	25%	477,991	25%	703,602
18-24	101,489	11%	200,279	11%	301,768
25-55	352,422	39%	824,150	43%	1,176,572
55+	212,478	24%	396,580	21%	609,058

SEX - 1987					
Female:	437,315	50%	933,503	51%	1,370,818
Male:	430,385	50%	891,697	49%	1,319,182

EDUCATION - 1980	RURAL	URBAN
% of High School Graduates	72%	77%
% of College Graduates	14%	20%

	RURAL	URBAN	U.S.
UNEMPLOYMENT RATE - 1989	7.4%	5.0%	5.3%
PER CAPITA INCOME - 1988	$13,171	$15,696	$16,490
	(Oregon Ranked 30th In U.S. In 1987)		
AVERAGE WEEKLY WAGE - 1988	$327.11	$374.78	N/A

INDUSTRY EMPLOYMENT - 1989	RURAL	%	URBAN	%
All Jobs, All Industries	309,460		874,426	
Wholesale & Retail	74,319	24	231,750	27
Government	64,007	21	135,105	15
Services	56,686	18	204,406	23
Forestry & Wood Products	44,844	15	38,820	4
Agriculture/Food Process.	17,519	6	34,043	4
Transportation & Utilities	13,515	4	45,462	5
Finance	9,344	3	51,284	6
Construction	9,331	3	35,690	4
Machinery & Equipment	8,366	3	49,596	6
Other Manufacturing	6,434	2	27,845	3
Metals	3,585	1	19,617	2
Fisheries	923	0.3	79	0
Mining	587	0.2	729	0.1

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MAY 1991

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INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Mar.	1991	5.8
Feb.	1991	5.8
Mar.	1990	5.2

United States (Seas. Adj.)

Mar.	1991	6.8
Feb.	1991	6.5
Mar.	1990	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Mar.	1991	134.7
Feb.	1991	134.9
Jan.	1991	135.2
Dec.	1990	133.9
Nov.	1990	134.0

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

Feb.	1991	$11.44
Jan.	1991	$11.48
Feb.	1990	$11.01

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Feb.	1991	39.0
Jan.	1991	38.5
Feb.	1990	38.0

CONSUMER PRICE INDEX (CPI)

1982-84=100

ALL URBAN CONSUMERS

Portland-Vancouver

July-Dec. 1990	129.8
Yearly change	6.7%
Annual Average 1990	127.4
Yearly change	5.8%

United States

Mar. 1991	135.0
Yearly change	4.9%
Annual Average 1990	130.7
Yearly change	5.4%

Portland Hotline 326-4132

UNUSUAL TIMES

Fred Klatz

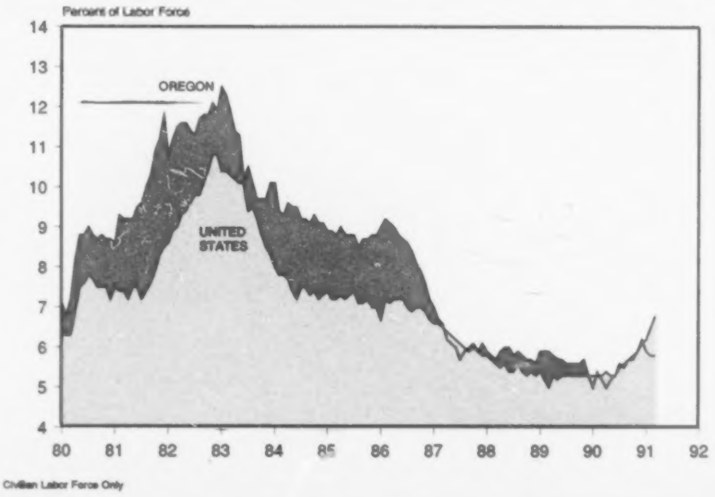
Sometimes I get the feeling that every generation feels that it lives in unusual times. Taking a very narrow economic view, we appear to be living during unusual times in Oregon now. As you can see from the unemployment graph below, we are now in one of the comparatively rare periods in which Oregon's seasonally adjusted unemployment rate is below that of the nation. While the U.S. and Oregon's average annual unemployment rates peaked together in 1982, and have fallen steadily since — with Oregon's rate higher most of the time, the nation's rate rose between 1989 and 1990 while Oregon's continued to fall. This brought about an unusual circumstance; the state's annual average unemployment rate for 1990, at 5.5%, equaled that of the whole country. This is only the second time in the 20 years since 1971 that Oregon's rate has equaled the nation's. It was only in 1978 that we went below the annual average for the country as a whole; and that only by one-tenth of a point. And looking at the first three months of this year, it appears that 1991 is starting out to be an unusual year.

For the first three months of this year, Oregon's seasonally adjusted unemployment rate has also stayed well below that of the nation. While the U.S. economy showed weakness, with the rate moving from 6.2 to 6.8 in three-tenth increments between January and March, Oregon's rate was stable at 5.8 or 5.9.

Lest we become too carried away with all of these positive signs and portents, we might look at Oregon itself on a year-to-year basis. The seasonally adjusted rates for January through March of 1991 are substantially above those of the same period in 1990. While employment for February and March of 1991 show growth over the comparable period in 1990, unemployment is up substantially when compared with 1990. In line with this, the level of claims for unemployment insurance benefits rose markedly this winter over the previous two years. (See Weeks Claimed graph). This certainly doesn't mean that Oregon's economy is about to come crashing to the ground, but our state is beginning to feel the drag of national economic problems.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES

OREGON AND THE UNITED STATES



OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	1/ MAR. 1991	2/ FEB. 1991	MAR. 1990	CHANGE FROM FEB. 1991	CHANGE FROM MAR. 1990
TOTAL 5/	1,243,900	1,239,500	1,224,400	4,400	19,500
WAGE & SALARY EMPLOYMENT INDEX 6/	134.7	134.9	132.7	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	255,900	256,900	264,400	- 1,000	- 8,500
SERVICE PRODUCING INDUSTRIES 8/	988,000	982,600	960,000	5,400	28,000
TOTAL MANUFACTURING	205,100	206,200	215,100	- 1,100	- 10,000
DURABLE GOODS	147,900	149,100	158,400	- 1,200	- 10,500
LUMBER & WOOD PRODUCTS	55,100	56,300	64,500	- 1,200	- 9,400
LOGGING	9,000	9,800	10,100	- 800	- 1,100
SAWMILLS	19,400	19,400	22,500	0	- 3,100
VENEER & PLYWOOD	11,200	11,500	15,500	- 300	- 4,300
MILLWORK & STRUCTURAL WOOD	9,400	9,500	10,500	- 100	- 1,100
MOBILE HOMES	2,100	2,100	1,800	0	300
OTHER WOOD PRODUCTS	4,000	4,000	4,100	0	- 100
FURNITURE AND FIXTURES	3,000	2,900	3,100	100	- 100
STONE, CLAY, GLASS & CONCRETE	4,200	4,100	4,200	100	0
PRIMARY METALS	11,400	11,300	11,000	100	400
BLAST FURNACES, IRON & STEEL 9/	5,900	5,800	5,600	100	300
NONFERROUS METALS 9/	5,500	5,500	5,400	0	100
FABRICATED METALS	11,000	11,100	11,600	- 100	- 600
FABRICATED STRUCTURAL METALS	4,700	4,700	4,900	0	- 200
OTHER FABRICATED METALS	6,300	6,400	6,700	- 100	- 400
MACHINERY	16,700	16,700	18,000	0	- 1,300
OFFICE & COMPUTING MACHINES	4,400	4,300	4,600	100	- 200
OTHER MACHINERY	12,300	12,400	13,400	- 100	- 1,100
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,500	17,600	17,300	- 100	200
TRANSPORTATION EQUIPMENT	13,300	13,400	12,400	- 100	900
INSTRUMENTS & RELATED PRODUCTS 9/	11,800	11,800	12,400	0	- 600
MISCELLANEOUS MANUFACTURING	3,900	3,900	3,900	0	0
NONDURABLE GOODS	57,200	57,100	56,700	100	500
FOOD & KINDRED PRODUCTS	21,300	21,300	21,600	0	- 300
CANNING & PRESERVING	9,900	9,700	10,500	200	- 600
OTHER FOOD PRODUCTS	11,400	11,600	11,100	- 200	300
TEXTILE MILL PRODUCTS	1,500	1,500	1,600	0	- 100
APPAREL	2,800	2,800	2,800	0	0
PAPER & ALLIED PRODUCTS	9,300	9,200	8,500	100	800
PRINTING & PUBLISHING	14,300	14,300	13,900	0	400
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,300	0	0
PETROLEUM & ASPHALT PRODUCTS	500	500	600	0	- 100
RUBBER & PLASTIC PRODUCTS	4,700	4,800	4,900	- 100	- 200
LEATHER PRODUCTS	500	400	500	100	0
TOTAL NONMANUFACTURING	1,038,800	1,033,300	1,009,300	5,500	29,500
MINING & QUARRYING	1,600	1,500	1,300	100	300
CONSTRUCTION	49,200	49,200	48,000	0	1,200
BUILDING CONSTRUCTION	11,100	11,300	13,000	- 200	- 1,900
HEAVY CONSTRUCTION	6,600	6,000	5,700	600	900
SPECIAL TRADE CONTRACTORS	31,500	31,900	29,300	- 400	2,200
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	63,300	63,000	63,300	300	0
TRANSPORTATION	42,000	42,000	41,800	0	200
RAILROAD	3,700	3,700	3,800	0	- 100
TRUCKING & WAREHOUSING	23,700	23,800	24,000	- 100	- 300
OTHER TRANSPORTATION	14,600	14,500	14,000	100	600
COMMUNICATIONS	12,200	12,100	12,300	100	- 100
UTILITIES	9,100	8,900	9,200	200	- 100
TRADE	310,100	308,600	302,600	1,500	7,500
WHOLESALE TRADE	81,500	80,800	77,700	700	3,800
DURABLE GOODS	46,600	46,300	45,200	300	1,400
MACHINERY, EQUIPMENT, & SUPPLIES	10,600	10,600	10,600	0	0
OTHER DURABLE GOODS	36,000	35,700	34,600	300	1,400
NONDURABLE GOODS	34,900	34,500	32,500	400	2,400
GROCERIES & RELATED PRODUCTS	13,100	13,000	12,000	100	1,100
OTHER NONDURABLE GOODS	21,800	21,500	20,500	300	1,300
RETAIL TRADE	228,600	227,800	224,900	800	3,700
BUILDING MATERIALS & GARDEN SUPPLIES	8,800	8,600	8,200	200	600
GENERAL MERCHANDISE	28,900	29,100	29,000	- 200	- 100
FOOD STORES	38,000	38,100	37,900	- 100	100
AUTO DEALERS & SERVICE STATIONS	27,600	27,300	27,500	300	100
APPAREL & ACCESSORY STORES	9,800	9,800	9,200	0	600
FURNITURE & HOME FURNISHINGS	9,200	9,300	9,600	- 100	- 400
EATING & DRINKING PLACES	82,400	81,400	79,900	1,000	2,500
MISCELLANEOUS RETAIL	23,900	24,200	23,600	- 300	300
FINANCE, INSURANCE, & REAL ESTATE	80,700	80,500	77,600	200	3,100
FINANCE	28,600	28,600	28,300	0	300
INSURANCE	23,100	23,100	22,800	0	300
REAL ESTATE	29,000	28,800	26,500	200	2,500
SERVICES	302,500	300,200	291,800	2,300	10,700
HOTELS & OTHER LODGING PLACES	19,100	18,400	18,100	700	1,000
PERSONAL SERVICES	11,100	11,000	11,300	100	- 200
BUSINESS SERVICES	49,700	49,400	49,100	300	600
AUTOMOTIVE & MISC. REPAIR SERVICES	17,200	17,000	16,400	200	800
MOTION PICTURES & AMUSEMENTS	14,800	14,500	14,800	300	0
HEALTH SERVICES	87,100	86,900	84,100	200	3,000
LEGAL SERVICES	9,000	9,000	8,800	0	200
PRIVATE EDUCATION	17,600	17,800	15,700	- 200	1,900
SOCIAL SERVICES	27,800	27,700	26,600	100	1,200
ENGINEERING & MANAGEMENT SERVICES	21,400	21,400	20,500	0	900
OTHER SERVICES & NEC	27,700	27,100	26,400	600	1,300
GOVERNMENT	231,400	230,300	224,700	1,100	6,700
FEDERAL GOVERNMENT	32,400	32,300	31,800	100	600
STATE GOVERNMENT	63,100	62,700	61,200	400	1,900
EDUCATION	26,800	26,600	26,300	200	500
OTHER STATE	36,300	36,100	34,900	200	1,400
LOCAL GOVERNMENT	135,900	135,300	131,700	600	4,200
EDUCATION	87,400	87,200	84,500	200	2,900
OTHER LOCAL	48,500	48,100	47,200	400	1,300
LABOR MANAGEMENT DISPUTES 10/	0	0	900	0	- 900

OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	1/ MAR. 1991	2/ FEB. 1991	MAR. 1990	CHANGE FROM FEB. 1991	CHANGE FROM MAR. 1990
CIVILIAN LABOR FORCE 3/	1,473,300	1,475,700	1,440,000	- 2,400	33,300
UNEMPLOYMENT	93,000	98,500	82,200	- 5,500	10,800
PERCENT OF LABOR FORCE	6.3	6.7	5.7	XXX	XXX
SEASONALLY ADJUSTED PERCENT	5.8	5.8	5.2	XXX	XXX
TOTAL EMPLOYMENT 4/	1,380,300	1,377,200	1,357,800	3,100	22,500

1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

On a month-to-month basis, Oregon's seasonally adjusted non-farm payroll employment trend between February and March was very similar to the nation's. Both showed small declines, 0.2% overall, and very similar percentage declines in their manufacturing and non-manufacturing sectors. Two areas in which Oregon showed greater weakness in March than the nation were in construction and government.

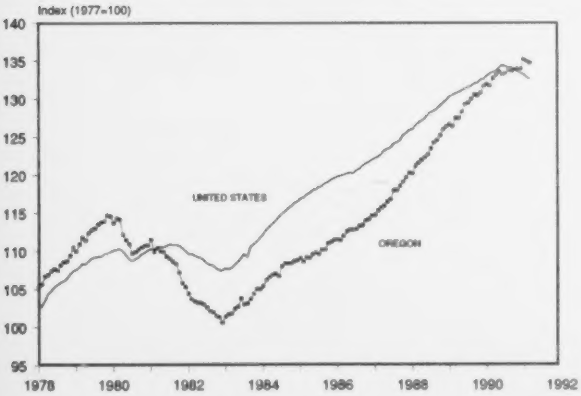
> ***. . . our state is beginning to feel the drag of national economic problems.***

Construction in Oregon normally shows some growth between February and March, but this year its employment stayed flat. This shouldn't be misconstrued as indicating that the entire industry was static. Quite the opposite. All of the building construction trades, with the exception of electrical work, showed losses in employment. However, this was evenly balanced out by gains in employment for highway and street construction firms and other types of heavy construction.

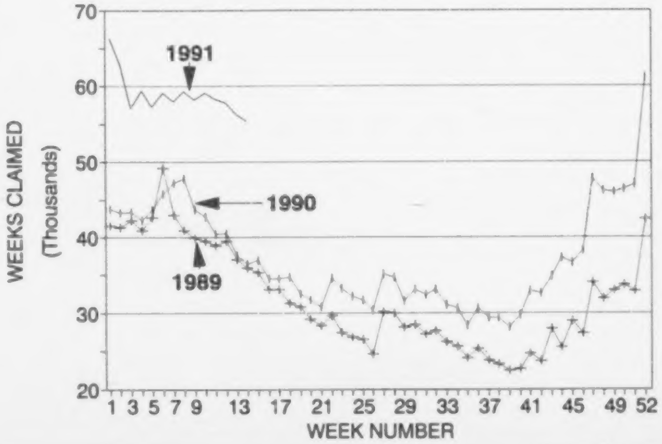
Government employment, especially in schools, usually shows increases between February and March. This year, however, even though employment went up by 1,100, it was less than expected based on past experience, so seasonally adjusted employment declined. This reflects the fact that local schools and community colleges had already attained employment levels in February which they normally achieve in March. This, combined with a less-than-expected rise in local government payrolls for elections-related activities, caused a smaller than normal March increase in government, which translated into a seasonally adjusted decline.

One area in which the U.S. and Oregon's seasonally adjusted non-farm payroll employment moved in concert was in manufacturing. While the country showed a decline of one-half of one percent, Oregon fell by four-tenths. In Oregon's case this was due to unusually large layoffs in logging. This may, in part, be linked to the restrictions on the amount of timber and the areas

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



WEEKS CLAIMED
1989 - 1991



that can be logged. The situation in logging, when combined with plant closures in the veneer and plywood industry, accounted for the decline in seasonally adjusted durable goods employment. The rest of this industry was quite stable between February and March.

In several areas of employment, Oregon performed better than the U.S. economy as a whole. In transportation, communications, and utilities, the state posted a gain between February and March. A slight decline is the norm for this industry in March, so the small gain in utilities employment caused a noticeable rise in the seasonal number for this sector. Oregon's trade industry outperformed the national trade sector, both retail and wholesale. The gains in seasonal employment in trade were evenly dispersed over the entire industry with the exception of eating and drinking places. This particular industry showed a strong gain associated with the extra business brought in by people on spring vacation.

The finance, insurance, and real estate group and the services industry both showed more than expected gains for this time of year, and outstripped their counterparts at the national level. This increase was centered on real estate, with little change shown for finance and insurance. In the services sector, only business services showed a small decline, while lodging places and amusement and recreation services produced higher than expected employment gains as they prepared for spring vacation travelers. Also, temporary help agencies gained employment over the month.

Oregon's economy may get through this period with little more damage to its economy than has already occurred.

On an annual basis, Oregon's seasonally adjusted non-farm employment showed relative strength, with a 1.5% gain compared with a 0.7% decline for the U.S. Oregon owes its good fortune in this annual comparison to the strength of its non-manufacturing sector. The state actually showed a slightly worse percentage decline in its manufacturing sector than did the nation, especially in durable goods. This is due to the very large (9,800) fall in seasonally adjusted employment for the lumber and wood products industry. The rest of Oregon's major business sectors, with the exception of the transportation, communications, and utilities group, all showed larger percentage increases than their counterparts at the national level.

While Oregon's seasonally adjusted employment is doing much better than the nation's as a whole, it is interesting to note that it is durable goods manufacturing which is lagging. This is normally the first business area to feel the bite of a recession, and then other businesses follow if the recession becomes very deep or long. There are some forecasts which predict that the combination of low interest rates, falling inflation, cheaper dollar, increasing consumer confidence, and the lack of a serious inventory overhang will all act to bring the national recession to an end in the second quarter of this year. If this forecast turns out to be accurate, then Oregon's economy may get through this period with little more damage to its economy than has already occurred. But, if the national recession drags on, then we'll probably see the state's economy suffer further.

No Problem

Those of you who are regular readers of this publication, either through unthwarted masochism or someone else's perverted sense of duty, will probably remember that last year at this time there was a great deal of moaning, gnashing of teeth, and pulling of hair over the results of the revisions to the state's unemployment figures. If you're not a masochist nor a victim of some supervisor, then last year there was a great . . . All right, you get the point. There was good reason for all of these antics, however. The revisions were substantial, and in many cases difficult

SEASONALLY ADJUSTED NON-FARM
PAYROLL EMPLOYMENT

	UNITED STATES (000)					OREGON (000)				
	MARCH 1990	FEBRUARY 1991	MARCH 1991	Percent Change Monthly	Yearly	MARCH 1990	FEBRUARY 1991	MARCH 1991	Percent Change Monthly	Yearly
TOTAL EMPLOYMENT	110,122	109,522	109,316	-0.2	-0.7	1,243.4	1,264.0	1,262.1	-0.2	1.5
Manufacturing	19,217	18,466	18,374	-0.5	-4.4	222.3	212.8	211.9	-0.4	-4.7
Durable Goods	11,261	10,645	10,581	-0.6	-6.0	161.8	152.4	150.9	-1.0	-6.7
Nondurable Goods	7,956	7,821	7,793	-0.4	-2.0	60.5	60.4	61.0	1.0	0.8
Nonmanufacturing	90,905	91,056	90,942	-0.1	0.0	1,021.1	1,051.2	1,050.2	-0.1	2.8
Mining	729	737	735	-0.3	0.8	1.5	1.7	1.8	5.9	20.0
Construction	5,313	4,860	4,788	-1.5	-9.9	51.9	55.7	53.1	-4.7	2.3
Trans, Comm, Utl	5,808	5,849	5,844	-0.1	0.6	64.4	63.9	64.4	0.8	0.0
Retail Trade	19,764	19,571	19,521	-0.3	-1.2	232.8	236.3	236.6	0.1	1.6
Wholesale Trade	6,361	6,272	6,253	-0.3	-1.7	78.3	82.0	82.1	0.1	4.9
F.I.R.E.	6,821	6,819	6,821	0.0	0.0	78.5	81.4	81.6	0.2	3.9
Services	27,950	28,601	28,624	0.1	2.4	293.6	302.9	304.0	0.4	3.5
Government	18,159	18,347	18,356	0.0	1.1	220.1	227.3	226.6	-0.3	3.0

to explain. As you can see from an accompanying table, this year's revisions can best be described as "no problem." (For the 1989 and 1990 revised data, refer to last month's publication.)

The inputs from the state side of the estimating system were not extensively revised, so most of the revisions to the estimates stem from updated information provided by the Census Bureau's Current Population Survey. The largest revision to the unemployment rate was the three-tenths of a point increase in May of 1990. While there was some modification to the state level employment estimates for this month, most of the upward change in the rate stemmed from a re-estimation of the rate of entrants to the labor force used in developing the unemployment rate itself. This particular modification was carried out by the Bureau of Labor Statistics in Washington D.C.

The reader must bear in mind, however, that the 1990 Census data was not available to us when we began our revision process last year. It is hoped that we will have this information next year when we start the revision process. So, the next time you read in this publication about the revised unemployment estimates, you will probably note a great deal of moaning, gnashing of teeth, and pulling of hair.

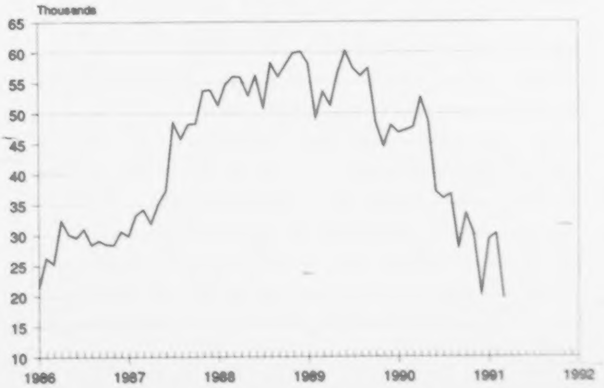
Summary

Oregon's unemployment rate is holding up well when compared with the nation. This is an unusual situation, historically. However, unemployment insurance claims are higher now than for the previous two years. Also, seasonally adjusted employment for our durable goods manufacturing sector is showing signs of weakness. If the national recession comes to an end soon, as some forecasters predict, then Oregon may avoid further damage to its economy. On the other hand, if the recession which is afflicting the nation drags on for an extended period of time, then the likelihood of Oregon being dragged down further increases substantially. □

DIFFERENCE BETWEEN THE ORIGINAL DATA
ON THE 1989 BENCHMARK AND THE
REVISED DATA ON THE 1990 BENCHMARK

DATE	'90 BM minus '89BM Labor Force	'90 BM minus '89BM Employment	'90 BM minus '89BM Unemployment	'90 BM minus '89BM Rate
1988 Jan	1,000	1,500	(500)	-0.1
Feb	700	1,200	(500)	-0.1
Mar	100	600	(500)	-0.1
Apr	300	700	(400)	0.0
May	(300)	(100)	(200)	0.0
Jun	(1,000)	(1,100)	100	0.0
Jul	(1,400)	(1,300)	(100)	0.0
Aug	(200)	(400)	200	0.0
Sep	(400)	(600)	200	0.0
Oct	300	(200)	500	0.1
Nov	100	(500)	600	0.1
Dec	600	0	600	0.1
Average	0	0	0	0.0
1989 Jan	900	300	600	0.0
Feb	500	(200)	700	0.0
Mar	200	(500)	700	0.1
Apr	(400)	(1,300)	900	0.0
May	(400)	(1,400)	1,000	0.1
Jun	(1,500)	(2,700)	1,200	0.1
Jul	(2,400)	(2,600)	200	0.0
Aug	(400)	100	(500)	0.0
Sep	200	1,100	(900)	-0.1
Oct	500	1,100	(600)	-0.1
Nov	100	1,200	(1,100)	0.0
Dec	2,200	4,800	(2,600)	-0.2
Average	0	0	0	0.0
1990 Jan	(2,200)	(4,200)	2,000	0.2
Feb	5,400	2,200	3,200	0.2
Mar	14,300	12,800	1,500	0.0
Apr	8,600	5,400	3,200	0.2
May	3,600	(900)	4,500	0.3
Jun	7,200	5,600	1,600	0.1
Jul	4,300	5,900	(1,600)	-0.1
Aug	800	800	0	0.0
Sep	(3,400)	(600)	(2,800)	-0.2
Oct	(7,300)	(4,300)	(3,000)	-0.2
Nov	(6,200)	(4,800)	(1,400)	-0.1
Dec	(2,300)	(1,800)	(500)	0.0
Average	1,800	1,300	500	0.0

OREGON NONAG WAGE & SALARY EMPLOYMENT
CHANGE FROM ONE YEAR AGO



A DYNAMIC EDUCATION AGENDA FOR OREGON
A Vision of Excellence for the 21st Century

State Representative Vera Katz

(Editor's note: Rep. Katz, D-Portland, was first elected to the Oregon House of Representatives in 1973 and served as Speaker of the House from 1985 through 1990.)

"The best educated and trained citizens in America by the year 2000, and equal to any in the world by the year 2010."

Oregon Benchmarks, 1990

Our future as Oregonians will depend on the quality of our education, the level of our skills, and the productivity of our citizens. Competitive global markets and new technologies demand that Oregon workers and employers develop "high performance" work organizations and employee skills. Participatory management, sophisticated quality controls, and an emphasis on customer service are changing the workplace. Now employees must develop the capabilities to change with it.

. . . the United States is the only major industrialized country in the world that does not have a well-defined and implemented school-to-work transition.

Workers who cannot adapt to the changing workplace and employers who do not respond to changing technologies and competition will be at risk of failure. Oregon's ability to educate and train talented and productive people will make the state economically viable for the 1990s and beyond.

Unfortunately, our academic and technical skill levels are not adequate to compete in an international economy.

Other nations produce a highly technical work force by first providing workers with a strong general education. Each has performance standards which virtually all students must meet at about age 16 and which have a direct effect on their employment prospects. Each has developed high performance work organizations that replace the mass production techniques of the early twentieth century.

In contrast, the United States is the only major industrialized country in the world that does not have a well-defined and implemented school-to-work transition. Students consistently perform at or near the bottom on tests when compared to students in other nations. Nearly three out of ten students beginning first grade will not graduate from high school. Yet these students will make up more than a third of our front line work force.

The most neglected students are the 70 percent who will not go on to college after high school. We prepare only a fraction of non-college bound students for work. As a result, the vast majority of our students who do not go to college are left to sink or swim, lacking academic and vocational skills, usually jumping from one low-paying job to another, and never being seriously trained until their mid-twenties.

The 1991 Oregon Legislature has the opportunity to insure a prosperous future for our citizens by preparing them to compete effectively in a global economic environment.

It has the opportunity to enact a dynamic educational vision for our state that will achieve an educated and trained work force equaling global standards of quality.

It has the opportunity to raise expectations for our students, set challenging goals for schools, and hold schools accountable for the performance of their students.

House Bill 3565, Oregon's Educational Act for the 21st Century, recognizes the link between families, education, and economic prosperity as noted in the 1990 report *"America's Choice: High Skills or Low Wages"*. As a trustee for the National Center for Education and the Economy, which sponsored the report, I strongly believe in its vision. As a legislator, I am seeking broad-based support for HB 3565 because it will set Oregon on the right path — a path that will take years to complete but one we must embark upon immediately and without hesitation.

House Bill 3565 re-designs academic and technical curricula to meet higher and more rigorous standards by establishing the Certificate of Initial Mastery (CIM), a new high performance standard, to be achieved by age 16 or the tenth grade. Students passing a series of performance-based assessments that measure the mastery of this academic standard will be awarded a CIM.

The bill also establishes a comprehensive system of technical and professional certificates and associates degrees for students who choose to enter the workplace rather than pursue a four-year college degree right after high school. Students will earn certificates and associate degrees in their chosen occupation after completion of two- to five-year programs of combined academic studies and work experience.

Business, labor, and education interests will define certification and degree standards and assessments for a broad range of occupations and trades. These programs can be pursued at a variety of institutions accredited to offer them, including high schools and community colleges.

HB 3565 provides for alternative educational and training environments for students who drop out of school or who have not achieved the Certificate of Initial Mastery under the current system.

"Learning Centers" will be developed throughout Oregon communities so that students and adults have the opportunity to obtain a Certificate of Initial Mastery. To help guarantee success for those at-risk students, each Learning Center will include a system of integrated social services.

The bill will also prohibit employers from hiring anyone under 18 years of age unless they are attending school or enrolled in a Learning Center working toward their Certificate of Initial Mastery.

Other provisions of the bill prescribe that:

- Schools and students will be held accountable for their performance by assessing students in grades 3, 5, 8 and 11 on the skills and knowledge requirements to receive a Certificate of Initial Mastery. These assessments will measure the degree to which students have mastered academic and technical skills prior to receiving a CIM or associate degree. They will also assess student skills before the credentials to enter college are issued.
- A guarantee that every eligible child will be enrolled in an Oregon Head Start Program by 1999.
- Families will have the opportunity to choose which school their children

attend if their local school fails to assist students in achieving satisfactory performance. All students who receive their Certificate of Initial Mastery may choose to attend any accredited institution for their 11th and 12th grades.

- The Department of Education will direct implementation of ungraded K-3 primary school to increase the probability of success in the early school years.
- The school year will increase to 200-220 student days from the current 175 days.
- Teachers, administrators, and parents are further empowered to develop school-based management committees with expanded authority to make decisions affecting each school and their programs.
- Financial incentives will be provided to schools demonstrating progress in student performance as a result of changes called for in the legislation.

Despite evidence that we are not preparing today's children to be competitive in a global economy, continued debate about education delivery must not stall change. As our paradigm of education attainment shifts from "time in the seat" to a comprehensive assessment benchmarked to the highest standards in the world, we should expect growing pains — but the results will be worth it. ☐

1988 LABOR FORCE DATA REVISED

Each year, the Oregon Employment Division revises its estimates of labor force, employment and unemployment for the state and all counties for the most recent two years. Revised Oregon labor force tables for 1989 and 1990 were published in the April issue of *Oregon Labor Trends*. In this month's issue, we are also publishing revised state data for 1988.

Annual labor force tables for 1988 through 1990 have also been revised and are now available for all local areas in Oregon. If you are not already on our mailing lists and would like to obtain any of these local area tables, please contact:

Oregon Employment Division
Research & Statistics
875 Union St NE
Salem OR 97311
Attn: Kathi Groome
Phone (503)378-8657 or toll free
1-800-238-3710, extension 8-8657

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Feb.[2] 1991	Jan.[3] 1991	Feb. 1990	Feb.[2] 1991	Jan.[3] 1991	Feb. 1990	Feb.[2] 1991	Jan.[3] 1991	Feb. 1990
TOTAL MANUFACTURING[4]	$446.16	$441.98	$418.38	39.0	38.5	38.0	$11.44	$11.48	$11.01
Durable Goods	445.77	441.60	422.11	39.0	38.5	38.2	11.43	11.47	11.05
Lumber & Wood Products	422.94	417.01	413.95	38.0	37.3	37.7	11.13	11.18	10.98
Logging & Sawmills	458.54	444.00	421.56	38.5	37.0	36.0	11.91	12.00	11.71
Veneer & Plywood	391.62	395.23	432.04	36.6	36.8	39.6	10.70	10.74	10.91
Millwork & Structural	362.52	369.36	375.06	38.2	38.0	39.9	9.49	9.72	9.40
Mobile Homes	334.43	345.72	304.31	34.3	35.9	33.7	9.75	9.63	9.03
Other Wood Products	436.51	435.11	424.51	39.9	39.7	39.6	10.94	10.96	10.72
Furniture & Fixtures	373.53	352.94	354.54	36.3	34.5	38.0	10.29	10.23	9.33
Primary Metals	541.83	539.28	508.82	42.1	42.0	41.1	12.87	12.84	12.38
Fabricated Metals	414.70	415.83	382.95	37.7	37.7	37.0	11.00	11.03	10.35
Machinery (Ex Electrical)	440.22	440.89	445.90	39.2	39.4	39.6	11.23	11.19	11.26
Nondurable Goods	446.96	442.75	405.45	38.9	38.5	37.3	11.49	11.50	10.87
Food & Kindred Products	352.23	361.74	331.70	36.2	36.8	35.1	9.73	9.83	9.45
Canning & Preserving	293.94	308.74	271.91	34.5	35.9	33.2	8.52	8.60	8.19
Other Food Products	415.34	420.71	406.88	38.0	37.8	37.5	10.93	11.13	10.85
Textile Mill Products	256.68	266.06	221.38	35.6	36.1	29.4	7.21	7.37	7.53
Apparel	280.21	268.23	254.69	39.3	37.1	37.4	7.13	7.23	6.81
Paper & Allied Products	671.40	687.45	621.15	43.4	43.1	41.3	15.47	15.95	15.04
Printing & Publishing	514.83	482.41	451.20	39.3	37.6	37.6	13.10	12.83	12.00
Construction[4]	585.52	563.98	494.13	36.3	34.6	31.9	16.13	16.30	15.49
Communications & Utilities[5]	594.70	594.22	543.23	41.5	40.7	40.6	14.33	14.60	13.38
Trade[5]	272.27	268.74	315.57	30.8	30.4	33.5	8.84	8.84	9.42
Wholesale Trade	435.85	426.71	418.87	37.9	37.3	37.2	11.50	11.44	11.26
Retail Trade	216.69	215.04	263.74	28.4	28.0	31.7	7.63	7.68	8.32
Banking & Insurance[5]	384.87	372.91	375.81	36.9	36.1	36.7	10.43	10.33	10.24
State & Local Government	425.69	426.31	404.83						

[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Prior to 1991, data for retail trade excludes eating and drinking places.*

OREGON RESIDENT LABOR FORCE, UNEMPLOYMENT & EMPLOYMENT 1988 1/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
CIVILIAN LABOR FORCE	1,426.0	1,386.4	1,390.6	1,401.4	1,409.3	1,404.1	1,445.0	1,450.6	1,447.9	1,428.1	1,442.1	1,447.8	1,458.6
UNEMPLOYMENT	83.0	94.9	93.7	88.6	84.4	83.1	85.1	83.9	80.1	74.8	72.9	76.2	78.3
Percent of Labor Force	5.8	6.8	6.7	6.3	6.0	5.9	5.9	5.8	5.5	5.2	5.1	5.3	5.4
Seasonally Adjusted Percent	5.8	5.9	5.8	5.7	5.9	6.0	6.0	5.8	5.9	5.8	5.7	5.7	5.6
TOTAL EMPLOYMENT	1,343.0	1,291.5	1,296.9	1,312.8	1,324.9	1,321.0	1,359.9	1,366.7	1,367.8	1,353.3	1,369.2	1,371.6	1,380.3

OREGON NONAGRICULTURAL WAGE & SALARY EMPLOYMENT 1988 3/

	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
TOTAL WAGE & SALARY	1,156.0	1,101.5	1,112.8	1,123.2	1,135.0	1,148.0	1,167.0	1,154.2	1,169.0	1,182.2	1,192.2	1,194.8	1,191.6
Wage & Salary Emp. Index (1977=100) 4/	123.4	120.2	121.2	121.6	122.0	122.3	122.7	123.5	124.3	124.6	125.2	126.0	126.4
GOODS PRODUCING 5/	255.3	239.4	242.0	242.7	246.9	250.1	256.7	262.7	271.1	268.3	266.8	260.8	256.4
SERVICE PRODUCING 6/	900.6	862.1	870.8	880.5	888.1	897.9	910.3	891.5	897.9	913.9	925.4	934.0	935.2
MANUFACTURING, TOTAL	214.2	205.7	207.3	206.6	208.5	209.9	214.5	218.4	225.3	222.1	220.9	216.9	213.7
Durable Goods	156.5	151.6	152.9	152.5	154.4	155.2	155.8	158.7	160.5	158.9	160.0	159.4	158.2
Lumber & Wood Products	68.8	67.6	68.0	67.3	68.0	68.8	68.6	69.1	70.4	68.9	70.5	69.8	68.8
Logging	12.8	12.3	12.5	11.9	11.9	12.4	13.3	13.8	14.0	11.2	13.7	13.6	12.8
Sawmills	22.6	22.1	22.3	22.4	22.6	22.7	22.3	22.2	22.6	23.4	23.2	22.8	22.8
Veneer & Plywood	17.3	17.7	17.7	17.6	17.8	17.7	16.7	16.4	16.9	17.5	17.2	17.0	16.9
Millwork & Structural Wood	10.1	9.7	9.7	9.6	9.8	10.0	10.4	10.6	10.6	10.5	10.3	10.2	10.2
Mobile Homes	1.6	1.4	1.4	1.4	1.4	1.5	1.6	1.7	1.8	1.8	1.8	1.8	1.8
Other Wood Products	4.4	4.4	4.4	4.4	4.5	4.5	4.3	4.4	4.5	4.5	4.3	4.4	4.3
Furniture & Fixtures	2.9	2.6	2.6	2.7	2.8	2.8	2.9	3.0	3.0	3.0	3.0	3.0	3.0
Stone, Clay, Glass, & Concrete	4.0	3.6	3.6	3.7	3.9	4.0	4.1	4.2	4.3	4.4	4.3	4.2	4.2
Primary Metals	10.2	9.8	9.8	9.9	10.0	10.1	10.3	10.4	10.4	10.4	10.3	10.3	10.3
Blast Furnaces, Iron & Steel 7/	5.1	4.9	4.8	4.9	5.0	5.0	5.1	5.2	5.2	5.2	5.2	5.2	5.3
Nonferrous Metals 7/	5.1	4.9	5.0	5.0	5.0	5.1	5.2	5.2	5.2	5.2	5.1	5.1	5.0
Fabricated Metals	11.2	10.1	10.2	10.4	10.6	10.7	11.0	11.4	11.6	11.6	11.9	12.2	12.4
Fabricated Structural Metals	4.6	4.2	4.2	4.3	4.4	4.4	4.5	4.7	4.7	4.7	4.9	5.2	5.4
Other Fabricated Metals	6.5	5.9	6.0	6.1	6.2	6.3	6.5	6.7	6.9	6.9	7.0	7.0	7.0
Machinery	16.8	16.4	16.7	16.8	16.7	16.5	16.6	16.9	17.0	17.0	17.0	16.8	16.9
Office & Computing Machines	4.1	4.1	4.2	4.2	4.0	3.8	3.8	4.1	4.2	4.2	4.3	4.3	4.3
Other Machinery	12.7	12.3	12.5	12.6	12.7	12.7	12.8	12.8	12.8	12.8	12.7	12.5	12.6
Electronic & Other Elect. Equip 7/	14.1	13.3	13.4	13.4	13.6	13.8	13.9	14.3	14.5	14.6	14.6	14.8	15.0
Transportation Equipment	11.6	11.2	11.5	11.1	11.6	11.5	11.3	12.4	12.3	12.0	11.4	11.4	11.1
Instruments & Related Products 7/	13.2	13.5	13.5	13.5	13.5	13.3	13.2	13.1	13.1	13.1	12.9	12.8	12.6
Miscellaneous Manufacturing	3.8	3.5	3.6	3.7	3.7	3.7	3.9	3.9	3.9	3.9	4.1	4.1	3.9
Nondurable Goods	57.6	54.1	54.4	54.1	54.1	54.7	58.7	59.7	64.8	63.2	60.9	57.5	55.5
Food & Kindred Products	23.7	20.6	20.8	20.3	20.0	21.1	24.2	25.7	30.6	29.0	27.2	23.8	21.5
Canning & Preserving	12.8	9.8	10.2	9.6	9.4	10.3	13.2	14.6	19.5	18.0	15.9	12.6	10.5
Other Food Products	10.9	10.8	10.6	10.7	10.6	10.8	11.0	11.1	11.1	11.0	11.3	11.2	11.0
Textile Mill Products	1.8	1.8	1.8	1.8	1.8	1.7	1.8	1.7	1.8	1.7	1.8	1.7	1.7
Apparel	2.6	2.5	2.6	2.5	2.6	2.7	2.7	2.6	2.6	2.7	2.7	2.7	2.7
Paper & Allied Products	8.6	8.8	8.8	8.9	8.8	8.2	8.9	8.6	8.5	8.5	8.2	8.3	8.4
Printing & Publishing	13.2	13.1	13.1	13.1	13.2	13.2	13.2	13.2	13.2	13.3	13.1	13.2	13.4
Chemicals & Allied Products	2.1	2.1	2.1	2.1	2.2	2.2	2.2	2.1	2.2	2.2	2.1	2.1	2.1
Petroleum & Asphalt Products	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.5	0.6	0.5	0.5
Rubber & Plastic Products	4.6	4.3	4.3	4.4	4.5	4.6	4.6	4.7	4.8	4.8	4.7	4.7	4.7
Leather Products	0.5	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
NONMANUFACTURING, TOTAL	941.8	895.8	905.5	916.6	926.5	938.1	952.5	935.8	943.7	960.1	971.3	977.9	977.9
Mining & Quarrying	1.3	1.2	1.3	1.2	1.3	1.3	1.4	1.4	1.4	1.4	1.4	1.3	1.2
Construction	39.9	32.5	33.4	34.9	37.1	38.9	40.8	42.9	44.4	44.8	44.5	42.6	41.5
Building Construction	9.6	8.3	8.3	8.5	8.9	9.1	9.5	9.8	10.3	10.5	10.5	10.5	10.4
Heavy Construction	6.2	4.1	4.4	4.8	5.7	6.4	6.8	7.2	7.6	7.7	7.4	6.6	6.0
Special Trade Contractors	24.1	20.1	20.7	21.6	22.5	23.4	24.5	25.9	26.5	26.6	26.6	25.5	25.1

1988 Continued	Annual 2/ Average	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Oregon Dec.
Transport., Comm., & Utilities	60.5	58.2	58.6	59.0	59.2	59.7	60.7	60.4	61.3	62.0	61.9	62.1	62.6
Transportation	39.3	37.0	37.4	37.7	37.9	38.4	39.3	39.1	40.0	40.9	40.9	41.1	41.7
Railroad Transportation	3.9	3.8	3.8	3.9	3.9	3.9	3.9	3.9	3.9	3.9	4.0	4.0	3.9
Trucking & Warehousing	22.8	21.2	21.4	21.4	21.7	22.0	22.7	23.1	23.6	23.8	23.7	23.9	24.6
Other Transportation	12.6	12.0	12.2	12.4	12.3	12.5	12.7	12.1	12.5	13.2	13.2	13.2	13.2
Communications	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.4	12.4	12.4	12.3
Utilities	8.7	8.7	8.7	8.8	8.8	8.8	8.9	8.8	8.8	8.7	8.6	8.6	8.6
Wholesale & Retail Trade	292.4	276.2	275.9	279.2	283.0	287.1	293.2	297.1	299.5	301.9	301.5	305.4	309.0
Wholesale Trade	72.9	68.8	69.5	70.2	71.2	71.6	73.2	74.0	74.5	75.6	75.2	75.3	75.4
Durable Goods	42.7	40.6	40.8	41.1	41.8	42.4	43.0	43.4	43.7	43.9	43.6	43.9	44.2
Machinery, Equipment, & Sup.	10.2	9.6	9.6	9.8	10.0	10.2	10.4	10.4	10.5	10.5	10.3	10.4	10.5
Other Durable Goods	32.5	31.0	31.2	31.3	31.8	32.2	32.6	33.0	33.2	33.4	33.3	33.5	33.7
Nondurable Goods	30.2	28.2	28.7	29.1	29.4	29.2	30.2	30.6	30.8	31.7	31.6	31.4	31.2
Groceries & Related Products	11.6	10.8	10.9	10.9	11.0	10.8	11.3	11.5	11.7	12.7	12.7	12.4	12.1
Other Nondurable Goods	18.6	17.4	17.8	18.2	18.4	18.4	18.9	19.1	19.1	19.0	18.9	19.0	19.1
Retail Trade	219.5	207.4	206.4	209.0	211.8	215.5	220.0	223.1	225.0	226.3	226.3	230.1	233.6
Building Materials & Garden Sup.	7.2	6.5	6.5	6.9	7.1	7.3	7.5	7.5	7.5	7.5	7.3	7.2	7.1
General Merchandise Stores	28.6	28.6	27.1	27.1	26.8	26.9	27.2	28.1	28.5	28.7	29.7	31.5	33.0
Food Stores	36.4	33.8	34.1	34.4	34.4	35.3	36.3	37.4	37.7	38.2	38.6	38.3	38.7
Auto Dealers & Service Stations	28.0	26.4	26.4	26.9	27.7	27.9	28.5	28.5	29.0	29.1	28.8	28.5	28.3
Apparel & Accessory Stores	9.2	8.4	8.1	8.3	8.3	8.5	9.2	10.0	9.7	9.5	9.3	10.1	10.6
Furniture & Home Furnishings	8.3	8.2	8.0	8.0	8.1	8.1	8.2	8.2	8.3	8.4	8.6	8.8	9.1
Eating & Drinking Places	78.9	73.6	74.1	75.2	77.4	79.5	81.2	81.7	82.3	82.6	80.4	79.9	79.4
Miscellaneous Retail	22.9	21.9	22.1	22.2	22.0	22.0	21.9	21.7	22.0	22.3	23.6	25.8	27.4
Finance, Insurance, and Real Estate	73.3	71.7	72.0	72.2	72.4	72.8	73.8	73.9	74.5	74.4	73.7	73.5	74.2
Finance	27.6	27.5	27.5	27.6	27.8	27.8	27.9	27.5	27.6	27.6	27.5	27.4	27.6
Insurance	21.9	21.4	21.4	21.5	21.6	21.7	21.9	21.9	22.1	22.1	22.0	22.2	22.4
Real Estate	23.8	22.8	23.1	23.1	23.0	23.3	24.0	24.5	24.8	24.7	24.2	23.9	24.2
Services	263.2	247.0	251.9	255.9	259.4	259.8	263.8	265.3	268.4	270.9	270.9	272.6	273.0
Hotels & Other Lodging Places	17.1	15.0	15.2	15.8	16.4	16.9	18.2	19.0	19.4	18.8	17.4	16.7	16.6
Personal Services	10.4	10.3	10.4	10.5	10.7	10.4	10.2	10.1	10.2	10.3	10.4	10.5	10.6
Business Services	43.0	37.9	39.1	39.8	41.0	41.6	42.8	43.6	45.3	45.6	45.7	47.4	46.3
Automotive & Misc. Repair Services	13.8	12.6	12.9	13.1	13.1	13.4	13.8	14.3	14.5	14.4	14.3	14.3	14.5
Motion Pictures & Amusements	13.1	12.3	12.3	12.7	13.0	12.9	13.4	14.1	14.3	13.4	12.6	12.7	13.7
Health Services	77.7	75.0	75.4	76.1	76.7	76.7	77.6	77.5	78.1	79.1	79.4	79.7	80.5
Legal Services	8.5	8.2	8.2	8.3	8.4	8.4	8.6	8.6	8.6	8.6	8.6	8.6	8.6
Private Education	13.8	13.9	14.8	14.9	14.8	14.2	12.2	10.8	10.7	13.8	15.2	15.5	15.1
Social Services	23.3	22.4	22.9	23.0	23.2	23.4	23.3	23.0	23.1	23.6	23.9	24.0	23.9
Engineering & Management Services	17.3	16.1	17.0	17.3	17.3	16.7	17.1	17.4	17.3	17.4	17.6	17.8	18.0
Other Services & NEC	25.3	23.3	23.7	24.4	24.8	25.2	26.6	26.9	26.9	25.9	25.8	25.4	25.2
Government	211.2	209.0	212.4	214.2	214.1	218.5	218.8	194.8	194.2	204.7	217.4	220.4	216.4
Federal Government	31.7	30.0	29.5	29.6	30.4	31.3	33.0	33.3	33.0	33.0	33.2	31.8	31.8
State Government	58.6	57.7	58.9	59.3	59.3	59.7	60.5	55.8	56.4	55.8	60.2	60.4	59.6
Education	23.9	24.4	25.5	25.7	25.3	25.5	25.6	19.9	19.5	19.8	25.2	25.7	25.2
Other State	34.7	33.3	33.4	33.6	34.0	34.2	34.9	35.9	36.9	36.0	35.0	34.7	34.4
Local Government	121.0	121.3	124.0	125.3	124.4	127.5	125.3	105.7	104.8	115.9	124.0	128.2	125.0
Education	75.4	77.9	80.3	81.0	80.1	81.0	78.6	58.0	57.1	69.5	78.9	81.9	80.1
Other Local	45.6	43.4	43.7	44.3	44.3	46.5	46.7	47.7	47.7	46.4	45.1	46.3	44.9
LABOR-MANAGEMENT DISPUTES	1.4	0.1	0.1	0.2	0.1	0.7	2.4	4.9	3.8	1.1	0.8	1.2	1.2

1/ Includes employed and unemployed individuals 16 years and older by place of residence. Data are adjusted for multiple job-holding and commuting. Includes nonagriculture wage and salary, self-employed, unpaid family workers, domestics, agriculture and labor disputants. ALL DATA ARE IN THOUSANDS

2/ Sum of monthly estimates divided by 12. Unemployment rate derived by dividing unemployment by civilian labor force.

3/ This nonagricultural wage and salary employment series is based on the 1987 Standard Industrial Classification (SIC) manual. The data are by place of work and persons working multiple jobs are counted more than once. Workers involved in labor-management disputes are excluded from the wage and salary employment totals. ALL DATA ARE IN THOUSANDS

4/ Total nonagricultural wage and salary employment, seasonally adjusted and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's annual average employment (774.3) and that of 1977 (936.9).

5/ Goods producing industries include manufacturing, mining, and construction.

6/ Service producing industries include transportation, communications, & utilities; trade; finance, insurance, & real estate; services; and government.

7/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.

LET YOUR WORKERS' COMPENSATION $$ WORK FOR YOU!

Sandi Hadley-White

Hiring or rehiring an injured worker can lower your workers' compensation costs and actually reimburse you money! The Reemployment Assistance Reserve (Reserve) has a new program that provides incentives to employers for hiring eligible injured workers. The Workers' Compensation Division (Division) has adopted new rules effective December 26, 1990 that will allow employers to access this 61 million dollar fund more than ever.

The Reserve funds the Preferred Worker Program and the Return-to-Work Incentives Program. Employers can access these programs when they agree to hire a Preferred Worker.

What is a Preferred Worker?

A worker who has incurred a permanent disability as a result of an on-the-job injury and cannot return to regular work as a result of the injury may qualify as a Preferred Worker. Workers who are released to regular modified work may also qualify. Employers can receive incentives for hiring Preferred Workers who were injured while working with them or with a different employer. Preferred Workers carry a card that indicates they are eligible for the program.

Preferred Worker Program

Premium Exemption: After hiring a preferred worker, the employer does not pay workers' compensation insurance premiums or premium assessments on that worker for up to three years.

Claim Cost Reimbursement: If the Preferred Worker incurs a new injury during the premium exemption period, the Division will reimburse all claim costs to the employer's insurer for the life of that claim. And, this new claim cannot be used to determine future premiums for the employer.

How do YOU use the Preferred Worker Program?

Instructions for use are on the preferred worker card. Simply fill out the card as instructed and mail it to the address on the card. If you are interested in hiring an injured worker who does not have a card and you need some assistance in determining the workers' eligibility, call the Rehabilitation Review Section (RRS) at 1-800-445-3948 or 378-5421. RRS will notify you and the worker of the effective premium exemption period.

Return-To-Work Incentives Program

Wage Subsidy: A wage subsidy of 50% for six months is available to an employer who hires an eligible Preferred Worker in an approved suitable job.

Worksite Modification: If the job needs to be altered, modifications made, or equipment purchased to bring the job within the preferred worker's limitations, up to $25,000 is available to make these changes. Consultants are available to provide worksite analyses and help determine what modifications are necessary. Worksite modification can be provided up to one year from the date of hire.

Obtained Employment Purchases: If the worker is required by the employer to provide tools, a uniform, or has to pay union dues, or move to accept a job, money is available to assist in these areas.

How Do YOU Use the Return-To-Work Incentives Program?

Incentives under this program are provided for suitable work, as a condition of hire. "Suitable" means the worker has the entry level skills for the job and is physically able to do it. To receive these incentives, you simply fill out a one-page agreement form for each incentive. Each form includes a job analysis that is used to determine if the job is suitable. You submit the form to RRS for approval. The employer and worker will be sent notice of approval and reimbursement forms or an advancement of funds, whichever is applicable.

Need More Information?

Further information on these programs can be obtained by calling RRS at 1-800-445-3948 or 378-5421.

The Reemployment Assistance Reserve Programs provide a win/win situation for everyone! ☐

STATE OF OREGON UNEMPLOYMENT RATES BY AREA

March 1991

	Civilian Labor Force	Total Employment	Unemployment	Rate[1]
State of Oregon	1,473,300	1,380,300	93,000	6.3
Eugene MSA[2]	147,500	137,100	10,400	7.1
Medford MSA[3]	71,430	65,060	6,370	8.9
Portland PMSA[4]	688,100	657,100	31,000	4.5
Salem MSA[5]	137,200	129,100	8,100	5.9
Baker	6,710	5,920	790	11.8
Benton	37,840	36,370	1,470	3.9
Clatsop	17,340	16,160	1,180	6.8
Columbia	17,320	16,100	1,220	7.0
Coos	26,340	23,790	2,550	9.7
Crook	7,110	6,360	750	10.5
Curry	9,150	8,510	640	7.0
Deschutes	42,700	39,710	2,990	7.0
Douglas	44,180	39,040	5,140	11.6
Gilliam	1,000	980	20	2.0
Grant	4,150	3,430	720	17.3
Harney	3,870	3,360	510	13.2
Hood River	9,660	8,890	770	8.0
Jefferson	6,530	6,000	530	8.1
Josephine	25,380	23,030	2,350	9.3
Klamath	24,920	21,870	3,050	12.2
Lake	3,640	3,190	450	12.4
Lincoln	19,420	18,270	1,150	5.9
Linn	43,260	39,420	3,840	8.9
Malheur	12,230	11,380	850	7.0
Morrow	3,160	2,830	330	10.4
Sherman	880	820	60	6.8
Tillamook	9,120	8,530	590	6.5
Umatilla	28,490	25,720	2,770	9.7
Union	11,030	9,960	1,070	9.7
Wallowa	3,420	2,910	510	14.9
Wasco	9,630	8,880	750	7.8
Wheeler	610	490	120	19.7

[1] *Not Seasonally Adjusted*

[2] *Lane County*

[3] *Jackson County*

[4] *Clackamas, Multnomah, Washington, Yamhill counties*

[5] *Marion and Polk counties*

WELFARE REFORM: PARTNERSHIPS KEY TO SUCCESS

Ron Bassett-Smith and Jill Franklin

(Editor's note: Ron Bassett-Smith is the manager of the JOBS Administration in the Oregon Economic Development Department. Jill Franklin is a research analyst in this section. For more information on Oregon's new welfare reform program, see the article by Stephen Minnich, administrator of the Oregon Adult and Family Services Division, in the January 1991 issue of Oregon Labor Trends.)

Oregon's new welfare reform program, designed to help welfare clients move into the work force, has accomplished much in recent months. Welfare reform brings state and local organizations together for the benefit of welfare clients, regional economies, and the state's work force development. There are five state partners involved in welfare reform. They include Adult and Family Services (AFS), the Oregon Economic Development Department, the Office of Community College Services, the Employment Division, and the Department of Education. Together with local service providers such as Private Industry Councils and Job Training Partnership Act sites, these five agencies are working together for the benefit of welfare clients and their communities. As Governor Roberts pointed out in her February 24 speech unveiling Oregon's work force development plans, "Partnerships are what we need to make our work force dreams come true." Welfare reform is proving that Oregon's leaders can make partnerships work, by keeping the focus on the clients and their needs.

. . . welfare clients enrolled in the reform program discover that its impact changes their lives.

This pioneering partnership effort has already had a very positive impact on Oregon's work force development efforts. First, welfare clients enrolled in the reform program discover that its impact changes their lives. There are three pillars that support this change: life skills, basic education, and job readiness classes. In these classes, clients learn to manage home and family responsibilities, choose a career, and prepare for the changes they need to make to enter the work force. They also supplement their education and polish job search techniques. Thanks to the caring, supportive staff who teach these classes, clients find strength and worth in their lives. And this powerful impact is carried home to their children. As one woman put it, "Since I've changed in positive ways, my family has changed in positive ways."

The strength of local collaborations across the state has paved the way for similar programs, like Governor Roberts' Workforce Development project. The JOBS (Job Opportunities and Basic Skills) Administration team encouraged this local collaboration, in part, through their Total Quality Management (TQM) philosophy. This philosophy was introduced into Japanese businesses in the 1950s and has since been adopted by American companies like Ford Motor Company. TQM helps organizations improve products and services. The JOBS Administration team found that its principles apply equally well to social service organizations. TQM suggests that organizations need to identify in broad terms who their customers are and how to best serve them. The team soon realized that this style was creating a positive impression on contractors and other partners. They saw that this customer service attitude was carried through local contractors to the JOBS clients. TQM has helped eliminate "turf" issues and battles. True, equal partnerships were created and are maintained. Key players are putting client needs first and resolving conflict so that energies are used to improve JOBS for Oregon's Future. A new style of doing business has emerged between state and local partners.

Finally, welfare reform is proof that Governor Roberts' Workforce Development vision can become a reality. Strong collaborations at both state and local levels have changed the dynamics of these two groups. The state proved that it can forge equal partnerships with community colleges, Job Training Partnership Act sites, Private Industry Councils, and others. It continues to prove that business-style contracts can be effective in the public sector. The partnership model built for welfare reform will help Oregon reach its goal of developing the best work force in the nation before the end of this decade.

. . . welfare reform is proof that Governor Roberts' Workforce Development vision can become a reality.

Because the reform program is not even nine months old, it is difficult to predict how many welfare clients will actually find jobs. Much depends, of course, on the general health of the state's economy. However, program leaders and welfare clients agree that this program provides clients the basic tools clients need to become self-sufficient. Aided by AFS case workers and their instructors, welfare clients are now taking control of their lives. Welfare reform is working for Oregon by putting Oregonians to work. ☐

BUSINESS & EMPLOYMENT OUTLOOK ONCE MORE ON THE HORIZON

The Oregon Employment Division's Research and Statistics section recently completed a cycle with the publication of Volumes 1-3 of the *Business & Employment Outlook*. Volume 1, published last spring, focuses on such topics as population and labor force characteristics, economic and industry trends, and income and wage data. A discussion of these topics has been prepared in the form of a report for each of the 14 JTPA (Job Training Partnership Act) administrative districts. Volume 2, which appeared near the start of this year, contains an update of information in Vol. 1 and detailed analysis of industrial and occupational projections for each of the 14 districts. Volume 3, recently published, consists of JTPA planning information for the state, The Oregon Consortium, administrative districts, and counties for PY 1991 (July 1991 - June 1992).

These publications should be useful to those in search of labor market information. Such persons should act now if interested: a limited number of copies are available (for Volumes 1 and 2, it would be helpful to specify which areas of the state you are interested in), and may be obtained by writing the following person:

Oregon Employment Division
Attn: Kathi Groome
Research & Statistics
875 Union St NE
Salem OR 97311
(503) 378-8657

EMPLOYERS' CORNER - NATIONAL JSEC MEETING

Judy Lofton

The largest delegation Oregon has ever sent was also the largest representation by any state at the National Job Service Employers Council (JSEC) Conference, February 20-22 in Washington D.C. Twenty Oregon employers from around the state and four Employment Division staff attended.

Our group not only attended the three-day conference but met with Oregon congressional representatives and members from other national organizations including the National Chamber of Commerce, National Association of Business, Society for Human Resource Management, and the Department of Labor. They asked our members of congress to support "Truth In Budgeting," and the removal of FUTA tax dollars from the federal unified budget. Although this has been an ongoing battle, some progress does appear to be happening.

Other highlights of the conference included the awards luncheon where Oregon's South Coast JSEC received the award for runner-up for "Best Local Committee in the Nation." Oregon hosted a Region X (Alaska, Idaho, Washington and Oregon) hospitality hour where we met and mingled with other employers in our region to begin formulating a regional strategy. To strengthen that pursuit, Oregon volunteered to host a JSEC Region X conference in 1992, where we will invite employers from the four state region and start addressing those similar concerns.

Finally, Oregon employers volunteered to be part of a national committee to assess and determine JSEC's national goals and priorities. ☐

JSEC SEMINARS

EMPLOYMENT AT WILL
Corvallis Country Club
Corvallis, Oregon
May 15 . . . 7:30 a.m. - 1:00 p.m.
Call Sue Hankins, phone 967-2171

CULTURAL DIVERSITY IN THE WORKPLACE
Holiday Inn, South
Wilsonville, Oregon
May 15 . . . 7:15 a.m. - 11:30 a.m.
Call Cathie Moravec or
Jerry Howard, phone 657-2078

GREAT CUSTOMER SERVICE
Tapadera Inn
The Dalles, Oregon
May 22 . . . 8:00 a.m. - Noon
Call Marilyn Daggett, phone 296-1173
or Bob Watkins, phone 296-5435

LITERACY LINE

A statewide hotline connects persons who would like to upgrade their basic skills with information about programs in their areas. There are also television offerings that help people learn to read or prepare for the GED test. The Literacy Line staff can help clients access the television programs in their areas and provide them with information about obtaining supporting materials. The line will connect potential literacy volunteers with training information.

In March, 90,000 Oregonians received information about Literacy Line in their food stamp mailings. The message "it's never too late to learn" was written in nine languages. *The Oregonian* donated the stuffers. It also provides extensive support for other Literacy Line efforts.

Another project the line is engaged in is the support and strengthening of local literacy coalitions. Line staff are working with the Lincoln County coalition to increase Literacy Line's capacity to recruit students and volunteers outside of the Portland metropolitan area by helping the coalition target services to specific groups and improve its marketing strategies. Testimonies from students and tutors are being used in public service announcements, newspaper articles, ads and brochures.

To contact Literacy Line, call 1-800-322-8715 from anywhere in Oregon. In Portland, call 294-1808. ☐

LMI LABOR MARKET INFORMATION

STATE OF OREGON

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SALEM, OREGON 97311

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OREGON LABOR TRENDS

JUNE 1991

State of Oregon • Employment Division • Department of Human Resources

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Apr.	1991	5.8
Mar.	1991	5.8
Apr.	1990	5.0

United States (Seas. Adj.)

Apr.	1991	6.6
Mar.	1991	6.8
Apr.	1990	5.4

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Apr.	1991	134.3
Mar.	1991	134.8
Feb.	1991	134.9
Jan.	1991	135.2
Dec.	1990	133.9

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

Mar.	1991	$11.45
Feb.	1991	$11.44
Mar.	1990	$11.04

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Mar.	1991	38.9
Feb.	1991	39.0
Mar.	1990	39.5

CONSUMER PRICE INDEX (CPI)
1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver

July-Dec. 1990	129.8
Yearly change	6.7%
Annual Average 1990	127.4
Yearly change	5.8%

United States

Apr. 1991	135.2
Yearly change	4.9%
Annual Average 1990	130.7
Yearly change	5.4%

Portland Hotline 326-4132

THE GREATEST SHOW ON EARTH

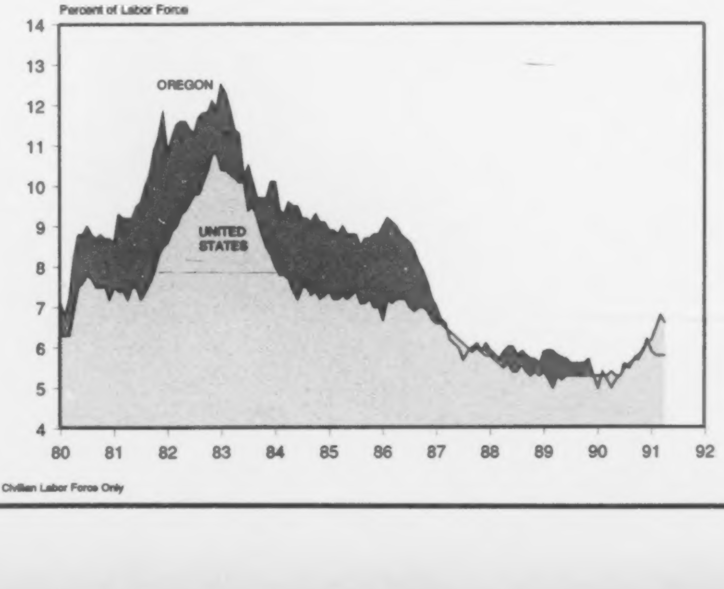
Frank Ryals

We are, indeed, cursed to live in interesting times. In fact, even normally-dry economic news can take on an almost carnival aura during times like these. Trying to analyze job trends in the Oregon economy these days is very much like watching simultaneous high wire acts in a three-ring circus. Various parts of the state's economy are performing amazing and terrible feats before our very eyes as we watch transfixed. At one end of the tent, thousands of workers in an entire industry are falling toward the sawdust below and we can't yet tell if they have a net. At the other end, workers in other industries jump through a ring of the fires of recession, but come through with only minor injuries. In the center ring, the workers with jobs gained in the last few years are walking a nine-month-long tightrope over the same fires of recession. We watch with breathless anticipation as these tightrope walkers stumble and slow down, trying to keep their balance. How many will make it across the chasm without falling into the recession? Stay tuned.

Seriously, though, the performance of the Oregon economy bears close watching during this time of national recession. Those who remember the early 1980s, with massive layoffs, job disappearances and outmigration, do not want to go through such a disaster again.

For now at least, most Oregon workers are relatively safe; the seasonally adjusted unemployment rate remained at 5.8% in April, its third month at that level. But safety does not imply growth; employers around the state had been expected to add 10,300 jobs last month, springtime being the start of the busy season for many. However, all they could manage was a 5,000 employment increase over March. This slowing of growth does indicate that Oregon businesses are being singed by those fires of recession at the circus.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	1/ APR. 1991	2/ MAR. 1991	APR. 1990	CHANGE FROM MAR. 1991	CHANGE FROM APR. 1990
TOTAL 5/	1,250,000	1,245,000	1,238,800	5,000	11,200
WAGE & SALARY EMPLOYMENT INDEX 6/	134.3	134.8	133.1	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	256,400	255,800	267,800	600	- 11,400
SERVICE PRODUCING INDUSTRIES 8/	993,600	989,200	971,000	4,400	22,600
TOTAL MANUFACTURING	204,200	204,800	215,200	- 600	- 11,000
DURABLE GOODS	147,300	147,700	158,000	- 400	- 10,700
LUMBER & WOOD PRODUCTS	55,500	55,200	64,400	300	- 8,900
LOGGING	9,100	9,000	10,200	100	- 1,100
SAWMILLS	19,300	19,400	22,300	- 100	- 3,000
VENEER & PLYWOOD	11,500	11,300	15,400	200	- 3,900
MILLWORK & STRUCTURAL WOOD	9,500	9,400	10,600	100	- 1,100
MOBILE HOMES	2,100	2,100	1,800	0	300
OTHER WOOD PRODUCTS	4,000	4,000	4,100	0	- 100
FURNITURE AND FIXTURES	3,000	3,000	3,100	0	- 100
STONE, CLAY, GLASS & CONCRETE	4,200	4,200	4,200	0	0
PRIMARY METALS	11,300	11,400	11,100	- 100	200
BLAST FURNACES, IRON & STEEL 9/	5,900	5,900	5,600	0	300
NONFERROUS METALS 9/	5,400	5,500	5,500	- 100	- 100
FABRICATED METALS	11,100	11,000	11,400	100	- 300
FABRICATED STRUCTURAL METALS	4,700	4,700	4,800	0	- 100
OTHER FABRICATED METALS	6,400	6,300	6,600	100	- 200
MACHINERY	16,400	16,500	18,000	- 100	- 1,600
OFFICE & COMPUTING MACHINES	4,300	4,300	4,600	0	- 300
OTHER MACHINERY	12,100	12,200	13,400	- 100	- 1,300
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,500	17,400	17,300	100	200
TRANSPORTATION EQUIPMENT	12,800	13,300	12,200	- 500	600
INSTRUMENTS & RELATED PRODUCTS 9/	11,600	11,800	12,400	- 200	- 800
MISCELLANEOUS MANUFACTURING	3,900	3,900	3,900	0	0
NONDURABLE GOODS	56,900	57,100	57,200	- 200	- 300
FOOD & KINDRED PRODUCTS	21,100	21,200	21,700	- 100	- 600
CANNING & PRESERVING	9,700	9,800	10,600	- 100	- 900
OTHER FOOD PRODUCTS	11,400	11,400	11,100	0	300
TEXTILE MILL PRODUCTS	1,500	1,500	1,600	0	- 100
APPAREL	2,700	2,800	2,900	- 100	- 200
PAPER & ALLIED PRODUCTS	9,300	9,300	8,700	0	600
PRINTING & PUBLISHING	14,300	14,300	13,900	0	400
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,300	0	0
PETROLEUM & ASPHALT PRODUCTS	600	500	600	100	0
RUBBER & PLASTIC PRODUCTS	4,600	4,700	5,000	- 100	- 400
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,045,800	1,040,200	1,023,600	5,600	22,200
MINING & QUARRYING	1,600	1,600	1,500	0	100
CONSTRUCTION	50,600	49,400	51,100	1,200	- 500
BUILDING CONSTRUCTION	11,000	11,200	13,600	- 200	- 2,600
HEAVY CONSTRUCTION	7,400	6,700	6,800	700	600
SPECIAL TRADE CONTRACTORS	32,200	31,500	30,700	700	1,500
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	63,800	63,600	63,300	200	500
TRANSPORTATION	42,400	42,200	42,000	200	400
RAILROAD	3,700	3,700	3,800	0	- 100
TRUCKING & WAREHOUSING	24,000	23,700	23,900	300	100
OTHER TRANSPORTATION	14,700	14,800	14,300	- 100	400
COMMUNICATIONS	12,200	12,200	12,200	0	0
UTILITIES	9,200	9,200	9,100	0	100
TRADE	312,700	310,500	306,600	2,200	6,100
WHOLESALE TRADE	80,700	81,300	78,000	- 600	2,700
DURABLE GOODS	46,500	46,400	45,600	100	900
MACHINERY, EQUIPMENT, & SUPPLIES	10,600	10,500	10,700	100	- 100
OTHER DURABLE GOODS	35,900	35,900	34,900	0	1,000
NONDURABLE GOODS	34,200	34,900	32,400	- 700	1,800
GROCERIES & RELATED PRODUCTS	12,300	13,100	11,700	- 800	600
OTHER NONDURABLE GOODS	21,900	21,800	20,700	100	1,200
RETAIL TRADE	232,000	229,200	228,600	2,800	3,400
BUILDING MATERIALS & GARDEN SUPPLIES	9,100	8,800	8,700	300	400
GENERAL MERCHANDISE	29,200	28,900	29,300	300	- 100
FOOD STORES	38,200	38,100	38,300	100	- 100
AUTO DEALERS & SERVICE STATIONS	28,300	27,600	28,000	700	300
APPAREL & ACCESSORY STORES	9,400	9,700	9,300	- 300	100
FURNITURE & HOME FURNISHINGS	9,300	9,500	9,500	- 200	- 200
EATING & DRINKING PLACES	84,600	82,500	81,900	2,100	2,700
MISCELLANEOUS RETAIL	23,900	24,100	23,600	- 200	300
FINANCE, INSURANCE, & REAL ESTATE	81,400	80,800	78,300	600	3,100
FINANCE	28,600	28,600	28,300	0	300
INSURANCE	23,200	23,100	22,800	100	400
REAL ESTATE	29,600	29,100	27,200	500	2,400
SERVICES	304,300	302,800	295,600	1,500	8,700
HOTELS & OTHER LODGING PLACES	20,000	19,200	19,000	800	1,000
PERSONAL SERVICES	11,100	11,100	11,400	0	- 300
BUSINESS SERVICES	48,700	50,000	50,000	- 1,300	- 1,300
AUTOMOTIVE & MISC. REPAIR SERVICES	17,300	17,100	16,700	200	600
MOTION PICTURES & AMUSEMENTS	15,100	14,700	15,000	400	100
HEALTH SERVICES	87,300	86,900	83,900	400	3,400
LEGAL SERVICES	9,100	9,000	8,700	100	400
PRIVATE EDUCATION	17,500	17,700	15,400	- 200	2,100
SOCIAL SERVICES	28,000	27,900	27,300	100	700
ENGINEERING & MANAGEMENT SERVICES	21,900	21,500	21,200	400	700
OTHER SERVICES & NEC	28,300	27,700	27,000	600	1,300
GOVERNMENT	231,400	231,500	227,200	- 100	4,200
FEDERAL GOVERNMENT	33,300	32,600	34,500	700	- 1,200
STATE GOVERNMENT	62,900	63,100	60,800	- 200	2,100
EDUCATION	26,500	26,700	26,000	- 200	500
OTHER STATE	36,400	36,400	34,800	0	1,600
LOCAL GOVERNMENT	135,200	135,800	131,900	- 600	3,300
EDUCATION	86,500	87,300	84,000	- 800	2,500
OTHER LOCAL	48,700	48,500	47,900	200	800
LABOR-MANAGEMENT DISPUTES 10/	0	0	900	0	- 900

OREGON RESIDENT LABOR FORCE (BY PLACE OF RESIDENCE)

	1/ APR. 1991	2/ MAR. 1991	APR. 1990	CHANGE FROM MAR. 1991	CHANGE FROM APR. 1990
CIVILIAN LABOR FORCE 3/	1,508,500	1,473,400	1,459,500	35,100	49,000
UNEMPLOYMENT	88,500	92,900	74,800	- 4,400	13,700
PERCENT OF LABOR FORCE	5.9	6.3	5.1	XXX	XXX
SEASONALLY ADJUSTED PERCENT	5.8	5.8	5.0	XXX	XXX
TOTAL EMPLOYMENT 4/	1,420,000	1,380,500	1,384,700	39,500	35,300

1/ Preliminary

2/ Revised

3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.

4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.

5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.

6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).

7/ Goods producing industries include manufacturing, mining, and construction.

8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.

9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.

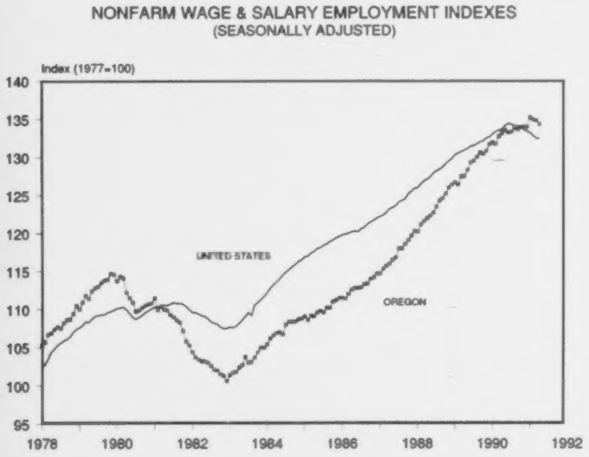
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

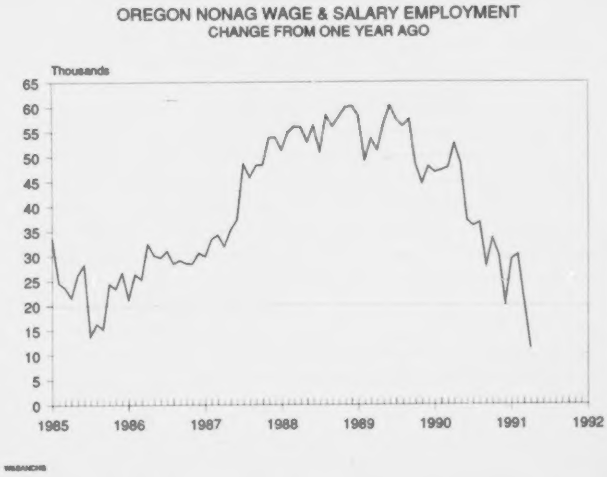
In fact, parts of the state are experiencing hard times every bit as bad as they suffered in the last recession. Multiple negative events on both the supply and demand fronts have caused the loss of some 9,000 jobs in lumber and wood products in the past year. This industry has been swallowed by the lack of demand for lumber caused by the recession as it affects other regions of the country. Furthermore, shrinking supplies of public timber available to harvest will almost assure that, for many timber workers, there may be little light at the end of the tunnel. Human resource analysts are among those who are watching the rest of the Oregon economy intently, hoping that it will remain healthy enough to create the jobs into which many of these dislocated workers must move, if they are to remain a viable part of the state's workforce.

For the record, lumber and wood products gained 300 jobs in April, mostly as a result of a couple of veneer and plywood mills which rehired workers previously laid off. Unfortunately, by mid-May, three major new layoffs had been announced: the Weyerhauser plywood mill in Springfield, the Willamette Industries plywood mill in Lebanon, and a Willamette Industries logging crew in the Lebanon-Sweet Home area. The closing of the Weyerhauser mill, an old-growth facility, was not unexpected, but the Willamette Industries mill is a modern mill utilizing second-growth trees. This demonstrates the degree to which the recession has made the prospects for this basic Oregon industry even worse.

Other durable goods manufacturing industries were mixed in their fortunes last month. Electronic components firms have added 100 jobs; they have been responsible for virtually all growth in high tech in the last four years. Oregon's other major high tech industry, instruments and related products, lost 200 jobs. This industry has been shrinking for the last six years. Together, these two industries have given high tech employment in the state a "forward three steps, back two" trend, which will probably continue through the present recession.

Ship building and repair has been on a roll since last summer. This extremely





volatile industry routinely goes from feast to famine and back again, depending on whether there are ships in the dry docks. Now, the current round of repairs is coming to an end, and contractors have cut back 700 jobs to 3,300. Unless new ships come in, more layoffs can be expected in coming months.

In nondurable goods manufacturing, the only noteworthy employment change last month was in rubber and plastic products. This industry slipped 100 to 4,600. It peaked in employment last August at 5,100.

The construction industry is one of the wire-walkers that deserves especially close scrutiny. The fortunes of this industry might be a good indicator of how the Oregon economy as a whole will do in the near future and how well we will escape the national recession.

There is no doubt that construction activity has slowed. Employment levels for the industry overall are 500 below last April, and the springtime hiring surge has been abnormally puny this year. This slowdown is nothing compared with what happened to the industry in the 1980-82 slide, though. Then, construction lost around 32,000 jobs statewide as construction, especially residential building, virtually disappeared. Inventories of houses and apartments in the state were far in excess of demand, and the imbalance was made worse as the state lost population for several years.

Now, fortunately, things are different. Housing construction seems to be roughly in equilibrium with demand, the state is gaining about 50,000 new residents a year, and interest rates have recently been lowered to a relatively attractive level. All of these factors should prevent construction activity from falling much lower than it is now. Actually, looking at the three sectors within construction gives further reassurance that employment levels should hold up fairly well.

The only sector to really feel the recession has been building construction, which is down 2,600 from a year ago. Taking up much of the slack, though, are the other two sectors, heavy construction and special trades contractors. Between them, they are 2,100 jobs ahead of last year, thus softening the effect on the industry as a whole.

An accompanying table of building permits issued in the state during the past year shows part of the reason why the construction industry has added some 1,300 fewer jobs than expected last month. Beginning last September, building permits for both single and multiple family units began to slump. This kind of reduction in planned activity must eventually be echoed in the numbers of jobs, and this is probably what we are seeing now. Please note, also, that the March numbers are larger than February's. One month of improvement is certainly not enough to be called a trend, but if it is, then perhaps residential construction will rebound after an appropriate lag, around next fall.

SINGLE-FAMILY & MULTI-FAMILY HOUSING UNITS AUTHORIZED BY BUILDING PERMITS STATE OF OREGON, 3-90 TO 3-91

Month	Single Family	Multi Family	Monthly Total	Nonreport Factor
March	1,217	900	2,117	13.3
April	1,299	852	2,151	12.5
May	1,296	935	2,231	19.6
June	1,292	1,720	3,012	16.6
July	1,372	999	2,371	17.4
August	1,309	1,162	2,471	16.6
September	864	297	1,161	20.4
October	1,152	390	1,542	14.2
November	660	521	1,181	13.9
December	432	394	826	9.7
January	652	232	884	10.6
February	700	90	790	13.7
March	862	310	1,172	16.7
4-90 to 3-91	2,214	632	2,846	
4-89 to 3-90	3,046	2,547	5,593	
% Change, 90-91	-27.3	-75.2	-49.1	

Source: Oregon Housing Agency

Trucking and warehousing gained 300 last month, but this is only 100 above April 1990. Railroad employment stayed the same last month while other transportation (water and air) lost 100, but only railroads lost employment compared with last year (-100).

Wholesale trade businesses have been slowly losing ground since January. Moreover, these firms lost 500 more jobs last month than expected at this time of year. Fresh fruit and vegetable wholesalers have cut 700 jobs since March to lead this decline. This industry can be affected by anomalies of both season and weather, as well as by the purchasing power of consumers.

The growth in recent years of the contingent labor force . . . has made the industries utilizing these workers appear to be more stable, while the temporary agencies' employment levels bounce up and down . . .

Retail trade is another industry which is only barely balancing on the tightrope. Seasonal adjustments reveal a 600 job shortfall from expectations. Although most sectors within retail trade posted employment growth, the only industry to exceed expected growth was food stores, which grew 100 jobs to 38,200. Apparel, furniture/home furnishings, and miscellaneous retailers actually lost employment in April.

The FIRE industrial sector (not to be confused with the fires of recession mentioned above) gained 600 jobs over the month, about as expected. The finance sector held its ground, while insurance added 100 jobs, and real estate swelled by 500. The growth in real estate employment is one more heartening sign for those watching the construction industry, since real estate firms don't tend to add workers if they don't see significant interest from prospective buyers.

Service industries added 1,500 jobs in April. They were expected to add 2,700 jobs, so some sectors did not perform up to par. Chief among these was the personnel services sector, which dropped 1,300 jobs to 14,900. Personnel services has become volatile because it includes temporary help agencies. The growth in recent years of the contingent labor force, of which workers in temporary agencies are a part, has made the industries utilizing these workers appear to be more stable, while the temporary agencies' employment levels bounce up and down with seemingly reckless abandon.

Elsewhere in services, hotel and other lodging places added 800 jobs, which is exactly what they were expected to do in April.

Government agencies lost 100 jobs, when they were supposed to stay at last month's level. Within this placid exterior, federal government and local government not including education gained jobs, while state government and education declined. Also interesting to note is that all sectors of government are above April 1990 employment levels except federal, which is 1,200 lower. Part of the increase over-the-year in state government is due to the current legislative session.

Geographic and skill barriers will make transition beyond the timber industry difficult for both workers and communities.

Our economic high wire act is far from over. Some Oregon industries have already fallen from the wire and are experiencing truly hard times, for which it will take more than a mere economic recovery to mend. Unfortunately, for many Oregon timber firms, workers and communities, the relative good fortune enjoyed by the majority of the state's businesses and workers at this point in the recession, are passing them by. Geographic and skill barriers will make transition beyond the timber industry difficult for both workers and communities.

Most other sectors of the state seem a bit unsteady, but not at immediate risk of falling, and a few seem to be doing fine. The big picture seems to be holding its focus—that of a state economy doing better than the nation as a whole, and not destined to repeat the tumble into deep recession which it took in 1980. The construction and durable goods manufacturing sectors should be closely watched over the summer; if they make it across the tightrope in one piece, most of the Oregon economy should be able to follow. ☐

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Mar.[2] 1991	Feb.[3] 1991	Mar. 1990	Mar.[2] 1991	Feb.[3] 1991	Mar. 1990	Mar.[2] 1991	Feb.[3] 1991	Mar. 1990
TOTAL MANUFACTURING[4]	$445.41	$446.16	$436.08	38.9	39.0	39.5	$11.45	$11.44	$11.04
Durable Goods	444.65	445.77	440.59	38.8	39.0	39.8	11.46	11.43	11.07
Lumber & Wood Products	418.13	422.94	438.69	37.3	38.0	39.7	11.21	11.13	11.05
Logging & Sawmills	449.32	458.92	462.95	37.6	38.5	39.2	11.95	11.92	11.81
Veneer & Plywood	411.73	390.55	441.86	38.3	36.5	40.8	10.75	10.70	10.83
Millwork & Structural	341.25	362.52	381.24	35.0	38.2	40.3	9.75	9.49	9.46
Mobile Homes	303.36	334.43	350.04	31.6	34.3	36.5	9.60	9.75	9.59
Other Wood Products	449.15	436.51	424.91	40.5	39.9	39.6	11.09	10.94	10.73
Furniture & Fixtures	388.21	374.19	349.67	37.4	36.4	36.5	10.38	10.28	9.58
Primary Metals	527.85	539.25	510.45	41.4	41.9	41.0	12.75	12.87	12.45
Fabricated Metals	423.38	416.21	421.08	38.7	37.7	39.8	10.94	11.04	10.58
Machinery (Ex Electrical)	447.82	439.77	453.17	39.7	39.3	40.9	11.28	11.19	11.08
Nondurable Goods	449.95	448.48	421.51	39.4	39.1	38.6	11.42	11.47	10.92
Food & Kindred Products	364.28	356.85	342.31	37.4	36.6	36.3	9.74	9.75	9.43
Canning & Preserving	306.49	304.88	287.93	36.1	35.7	34.9	8.49	8.54	8.25
Other Food Products	430.23	413.22	412.24	38.9	37.6	38.1	11.06	10.99	10.82
Textile Mill Products	276.75	256.68	244.60	37.5	35.6	32.7	7.38	7.21	7.48
Apparel	279.80	280.21	269.40	38.7	39.3	39.1	7.23	7.13	6.89
Paper & Allied Products	683.72	671.83	640.04	43.8	43.4	41.4	15.61	15.48	15.46
Printing & Publishing	496.52	514.44	494.00	38.7	39.3	40.0	12.83	13.09	12.35
Construction[4]	589.87	590.41	571.21	36.1	36.4	36.9	16.34	16.22	15.48
Communications & Utilities[5]	616.45	604.66	532.67	41.4	41.5	39.9	14.89	14.57	13.35
Trade[5]	276.12	272.27	321.39	31.2	30.8	34.3	8.85	8.84	9.37
Wholesale Trade	435.10	435.47	423.29	38.0	37.9	38.1	11.45	11.49	11.11
Retail Trade	221.18	216.98	268.41	28.8	28.4	32.3	7.68	7.64	8.31
Banking & Insurance[5]	387.59	383.76	362.18	36.6	36.9	36.4	10.59	10.40	9.95
State & Local Government	420.68	425.56	399.28						

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[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Prior to 1991, data for retail trade excludes eating and drinking places.*

SCHOOL AND WORK — A CONFLICT OR AN OPPORTUNITY?

Mary Wendy Roberts
Oregon Commissioner of Labor

For too long, we thought that school and work were two different things. Now we're realizing that those in school are working, and those at work are learning. Unfortunately, what young people are taught in school is often totally divorced from their on-the-job experience — both at their after-school jobs and in their careers after they graduate. It's no wonder that over 20 percent of high school students in the United States drop out of school. They just don't see the relevance of what they are learning.

. . . over 20 percent of high school students in the United States drop out of school.

Strengthening the connections between school and work can be done in many ways — from expanding current cooperative work experience programs, to requiring a contract between employer, parents, the school and the student when the student gets a job. Comprehensive restructuring of schools is the method that holds the most promise. It is this method that is being implemented at Roosevelt High School in Portland.

The Oregon Bureau of Labor and Industries is working with Roosevelt to refocus the curriculum to include vocational-technical courses and monitored work experiences. The goal is two-fold: to improve the job success of graduates and to drastically decrease the dropout rate.

The program, called "Roosevelt Renaissance 2000," will restructure the school's curriculum over a five-year period. Students will receive career guidance counseling in addition to the vocational-technical courses based on industry guidelines. Some of the course work includes applied mathematics, physics, and communication, as well as hands-on guided work experiences. Evaluation of work will be done through actual demonstration of skill proficiency.

With the cooperation of local businesspeople, parents, teachers, labor leaders and local community colleges, the Roosevelt program will provide students with a comprehensive preparation for a career in the skilled trades, and in areas such as electronics, manufacturing, and health care. The Roosevelt graduates' high skill levels will enable them to continue their training after graduation in an apprenticeship program, at a community college, or directly on the job.

Nationally, nearly 90 percent of all high school students have worked by the time they are seniors.

Some people worry that work-based education might detract from a student's educational experience. But the reality is that teenagers are already working and going to school. Nationally, nearly 90 percent of all high school students have worked by the time they are seniors. In Oregon, there were 84,000 young people aged 16 to 19 employed in 1989. The Oregon Bureau of Labor and Industries has doubled the number of work permits issued to young people in the last eight years.

Yet despite the large numbers of young workers, many employers still complain that the young people who come to them for jobs just don't have the right skills. Employers must often train their young employees in the most basic occupational skills, such as mathematics and making change, and teach them correct workplace behavior.

To study the complex relationship between work and school, I appointed a Child Labor Task Force last September. In the last nine months, the Task Force has been examining the effects work has on the health, well-being, and school performance of Oregon teenagers. They talked to employers to find out how they felt about the young people who worked for them. From public testimony at seven communities around the state, and from a survey of employers, some interesting results have surfaced.

Some working kids testified that if their working hours were curtailed, they would leave school. By working full-time, they said, they can afford a car and all the clothes they want. In some areas the kids needed to work because they were their own sole support. There were also students with 20-hour-a-week jobs who maintained 4.0 GPAs.

More than 85 percent of employers of minor employees said they would be willing to participate in a program overseen by the school in which students would be allowed to work during school hours, with special on-the-job skills training and credit towards high school graduation.

It is clear from this kind of support that the time is ripe for a concerted reform of our educational system. For education to be effective at preparing our children for tomorrow's jobs, we must broaden our beliefs about school and work — so that "school" no longer means just classroom lectures, tests and rote memorization. School must include technical and vocational courses, applied academics, and hands-on work experience. Roosevelt High School is an example of these concepts at work.

State Representative Vera Katz's "Oregon Educational Act for the 21st Century," HB 3565, is another. The bill would establish a statewide system of technical and professional certificates and associate degrees for the non-college bound, and would also develop rigorous educational standards for all students, benchmarked to equal the highest in the world.

. . . the jobs of the future will require workers who are highly-skilled in mathematics, communication, and problem-solving.

None of these dynamic ideas about education can be successful unless all agree that educating our children — tomorrow's workforce — is a top priority. We know that the jobs of the future will require workers who are highly-skilled in mathematics, communication, and problem-solving. We also know that young people are already working and going to school. It makes sense to link school and work in such a way that work becomes part of a young person's education and training. Now is the time to enact these ideas so that we may fulfill business and industry's need for skilled workers — and our children's need for work experience that relates directly to the 1990s, and beyond. ☐

OREGON'S AGRICULTURAL SECTOR

Mike Martin

(Editor's note: Mike Martin is a professor of agricultural and resource economics at Oregon State University. In this two-part article on Oregon agriculture, Part I looks at structural and geographic changes occurring in the state's agricultural sector. Part II, which will appear in next month's issue of Oregon Labor Trends, will discuss the regional development impacts of these changes as well as some challenges and problems facing Oregon's agriculture.)

Introduction

Oregon's economy rests heavily on its natural resource sectors. A major natural resource sector for Oregon is agriculture. In 1990, Oregon's 32,000 farms generated $2.6 billion of gross farm gate sales. Over the past decade, sales of Oregon agricultural commodities have steadily increased (see Figure 1; also note that values on all figures are in nominal terms, with no adjustment for inflation). As a consequence, agriculture makes significant contributions to aggregate state income and to the economies of several subregions and rural communities.

Agriculture contributes to economic activity through the purchase of agricultural inputs, and through the sales, marketing, processing and handling of agricultural outputs. Incomes generated by farmers are spent and respent in rural communities and throughout the state. Moreover, agriculture contributes to the economic critical mass which makes other activities viable. For example, the handling, transporting and exporting of agricultural commodities down the Columbia River and through the Port of Portland makes the Port and river transportation viable to support nonagricultural industries and sectors. Downriver transportation of wheat creates inexpensive upriver excess capacity for the movement of other products and commodities. The handling of wheat and other exports through the Port makes the Port of Portland an international facility. Early ventures into world markets by agricultural exporters have served as a wedge for other international trade from Oregon.

The state's agricultural sector continues to be competitive and dynamic because it holds a comparative advantage, both nationally and internationally. The topography, climate, soil and water resources combined with advanced technology and progressive management have made Oregon a major player in global food supply. As a consequence, agriculture contributes and will continue to contribute significantly to the state's economy.

Structural and Geographic Change for Oregon's Agriculture

While this state has a long history as a major agricultural producer, the agricultural sector of Oregon has undergone considerable change in recent years. The structure of farming has changed significantly. While there are more than 32,000 farms in Oregon, the size and nature of farms has become increasingly bimodal. At one extreme are family corporate farms which purchase a substantial portion of their productive inputs, including labor, from off-farm. These are the principal contributors to total farm sales in the state.

In 1969, three percent of Oregon's farms had annual sales of more than $100,000. These farms produced 40 percent of total state agricultural sales. By 1987, farms with more than $100,000 in sales accounted for 82 percent of total sales and comprised 12 percent of Oregon's farms. While inflation over this period largely accounts for these higher percentages, the proprietors of these large operations still earn the major portion of their family income from farming.

At the other extreme are a growing number of small non-conventional farms. Small farms, those with sales of less than $10,000 per year, now account for two-thirds of all farms in the state. These tend to be operated by part-time farmers who earn the majority of their household income from nonfarm activities. Over time, we've seen a decline in the number of traditional mid-size family farms. These farms have either been split into smaller part-time farming units or consolidated into larger commercial enterprises.

The economic geography of Oregon's agriculture is undergoing change as well. Traditional agriculture, grain and livestock production, practiced largely in central and eastern Oregon, has been stagnant or in decline in recent years. Driven by increased costs of production and volatile prices, the production of cattle and calves has trended down slightly over the past decade. Wheat production has been enhanced by slightly increased yields; however, a declining number of acres planted has resulted in a drop in total wheat production from 77.4 million bushels in 1980 to an estimated 56.7 million bushels in 1990. The federal

Figure 1

OREGON'S AGRICULTURAL SALES
$ Million

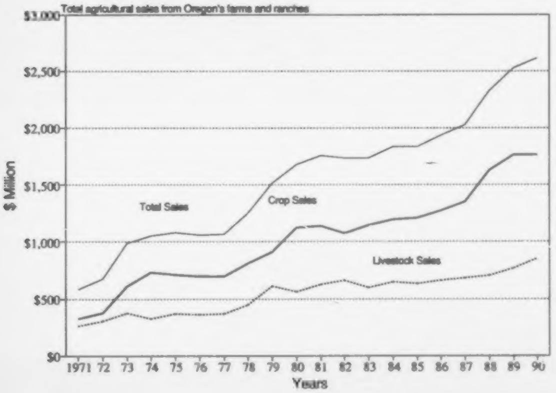
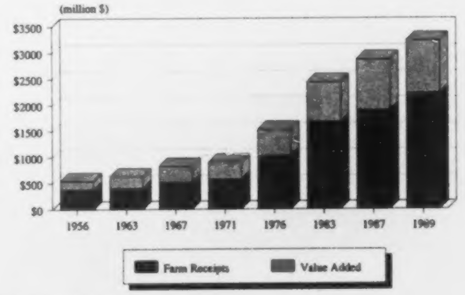


Figure 2

Trends in Oregon Agricultural Values
Farm Level and Processing Value Added
All Commodities, Selected Years 1956-89



SOURCE: OSU Extension Service Data

Conservation Reserve Program (CRP) has taken nearly 520,000 acres of land out of wheat production. The value of wheat sales has dropped from $308 million to $215 million since 1982. In 1986 and 1987, values of wheat sales dipped below $160 million.

While the traditional agricultural commodities of eastern Oregon have been in decline, nontraditional specialty crops, produced primarily in western Oregon, have shown marked increase in both production and in value of sales. The production of horticultural crops, nursery products, wine grapes, fruits, vegetables and farm forestry have all gained significantly, both in terms of production and value of sales. As a result of fundamental changes in Oregon's agriculture, the dynamic part of agriculture is now largely west of the mountains. In 1980, sales from western Oregon accounted for 46 percent of Oregon's total agricultural sales. By 1990, western Oregon counties contributed more than 60 percent of total sales. Table 1 also reveals the westward shift in Oregon's agriculture. Today, three of the top five agricultural counties are west of the Cascades.

Along with the increased value of farm sales from western Oregon, there has also been a marked increase in agricultural processing in this subregion. In 1989, the value of processed vegetables from western Oregon approached $100 million. Figure 2 shows the steady growth of food processing since the mid-1950s. Processing of potatoes for export has increased sharply in recent years.

TABLE 1

Rank	1980	Value of Sales (thousands)	1990	Value of Sales (millions)
1	Marion	$184,846	Marion	$330,041
2	Umatilla	158,761	Clackamas	197,822
3	Malheur	144,980	Malheur	163,037
4	Clackamas	100,420	Umatilla	152,169
5	Morrow	90,140	Washington	151,291

Among the most dramatic increases in agricultural processing has been in the production of wine. Over the past few years, wine production has increased at the rate of more than 10 percent per year. The state of Oregon now has over 90 wineries producing a number of varieties and types of wines. Beyond adding high-valued production to Oregon's farm gate sales and creating additional value via processing, Oregon's wineries also serve as an attraction for tourists. Thus, wineries serve a complementary role for Oregon's important tourism sector.

As can be noted in Figure 3, vegetable processing remains the dominant value-added agricultural industry in Oregon. All indications suggest that this industry will continue to grow.

(The second part of this article will appear in next month's issue of Oregon Labor Trends.) ☐

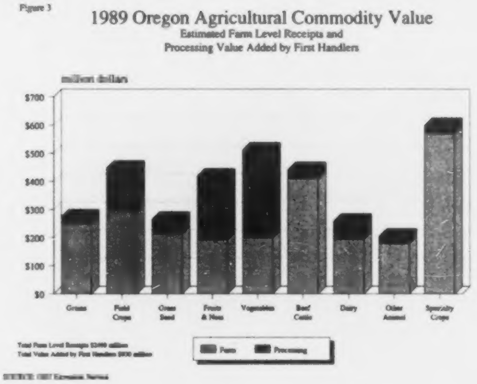


Figure 3

1989 Oregon Agricultural Commodity Value

Estimated Farm Level Receipts and Processing Value Added by First Handlers

LMI LABOR MARKET INFORMATION

STATE OF OREGON

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OREGON LABOR TRENDS

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INDICATORS

UNEMPLOYMENT RATE

Oregon *(Seasonally Adjusted)*

May	1991	5.9
April	1991	5.8
May	1990	5.2

United States *(Seasonally Adjusted)*

May	1991	6.9
April	1991	6.6
May	1990	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon *(1977=100)*

May	1991	134.1
April	1991	134.1
March	1991	134.8
February	1991	134.9
January	1991	135.2

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

April	1991	$11.44
March	1991	$11.45
April	1990	$11.10

PRODUCTION WORKER AVERAGE WEEKLY HOURS

April	1991	39.1
March	1991	39.0
April	1990	40.1

CONSUMER PRICE INDEX (CPI)
1982-84 = 100
All Urban Customers

Portland-Vancouver

July-Dec. 1990	129.8
Yearly Change	6.7%
Annual Average 1990	127.4
Annual Change	5.8%

United States

May 1991	135.6
Yearly Change	5.0%
Annual Average 1990	130.7
Yearly Change	5.4%

Portland Hotline (503) 362-4132

1991 GRADUATES FACE NEXT TEST - FINDING A JOB

Donna Johnson

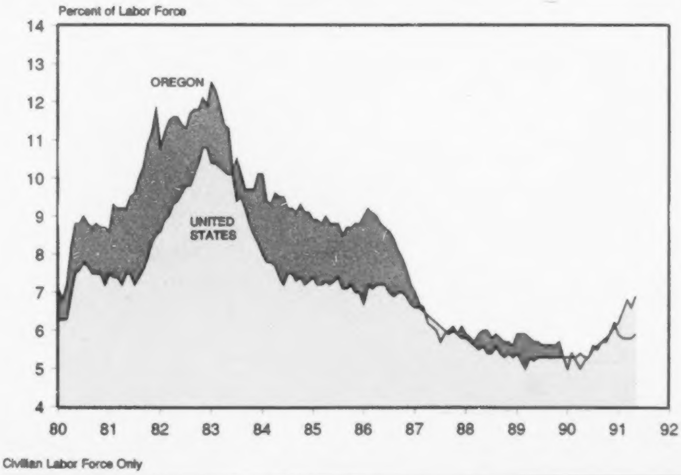
As the strains of "Pomp and Circumstance" have faded for Oregon graduates, a wave of new faces have entered the labor force and the circumstances they face may be much different than they anticipated. The dreams of the ideal jobs to be had when the coveted diploma was earned may not be the realities many are finding. A spring political cartoon depicting a graduate holding a sign which read "Will Work For Food" is a grim picture and probably not quite factual in Oregon.

> ***. . . the emphasis in hiring is tending to be away from manufacturing positions and toward services, health care, sales and marketing.***

Projections developed jointly by the Oregon State System of Higher Education, Oregon Department of Education, and Office of Educational Policy and Planning indicate about 26,500 Oregon students will graduate from high school this year. Another 16,500 students will complete four year college programs or advanced degrees. Approximately 5,000 students will earn associate degrees. Previous studies estimate about 60% of high school students and 80% of college graduates seek employment. Using these estimates, about 33,000 possible applicants will enter the labor force and be joined by an estimated 18,000 new residents migrating to Oregon and seeking employment.

As the 1991 graduates entered high school or college in 1987, Oregon's economy was gaining strength and optimism was evident. The unemployment rate had drastically dropped from 8.5% in the previous year to a much friendlier 6.2% in 1987, matching the U.S. rate for the first time since about 1978. All industrial sectors, except mining, were showing increases in employment. It appeared that any profession or course of study for students would be a safe bet. The trend had begun, however, for greater employment increases in service-producing industries than in goods-producing ones. As the four year schooling cycle progressed, continued increases were seen in all sectors of employment through

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



Civilian Labor Force Only

OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	1/ MAY 1991	2/ APR. 1991	MAY 1990	CHANGE FROM	
				APR. 1991	MAY 1990
TOTAL 5/	1,259,800	1,248,900	1,253,300	10,900	6,500
WAGE & SALARY EMPLOYMENT INDEX 6/	134.1	134.1	133.5	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	260,400	256,200	272,000	4,200	- 11,600
SERVICE PRODUCING INDUSTRIES 8/	999,400	992,700	981,300	6,700	18,100
TOTAL MANUFACTURING	205,100	204,100	217,800	1,000	- 12,700
DURABLE GOODS	147,700	147,200	159,500	500	- 11,800
LUMBER & WOOD PRODUCTS	56,700	55,700	64,700	1,000	- 8,000
LOGGING	9,700	9,100	10,900	600	- 1,200
SAWMILLS	19,200	19,500	22,300	- 300	- 3,100
VENEER & PLYWOOD	11,700	11,500	14,900	200	- 3,200
MILLWORK & STRUCTURAL WOOD	9,900	9,500	10,700	400	- 800
MOBILE HOMES	2,100	2,100	1,900	0	200
OTHER WOOD PRODUCTS	4,100	4,000	4,000	100	100
FURNITURE AND FIXTURES	3,000	3,000	3,100	0	- 100
STONE, CLAY, GLASS & CONCRETE	4,300	4,200	4,200	100	100
PRIMARY METALS	11,300	11,300	11,100	0	200
BLAST FURNACES, IRON & STEEL 9/	5,900	5,900	5,600	0	300
NONFERROUS METALS 9/	5,400	5,400	5,500	0	- 100
FABRICATED METALS	11,200	11,000	11,500	200	- 300
FABRICATED STRUCTURAL METALS	4,900	4,700	4,900	200	0
OTHER FABRICATED METALS	6,300	6,300	6,600	0	- 300
MACHINERY	16,000	16,300	18,000	- 300	- 2,000
OFFICE & COMPUTING MACHINES	4,300	4,300	4,600	0	- 300
OTHER MACHINERY	11,700	12,000	13,400	- 300	- 1,700
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,400	17,400	17,500	0	- 100
TRANSPORTATION EQUIPMENT	12,400	12,700	13,200	- 300	- 800
INSTRUMENTS & RELATED PRODUCTS 9/	11,600	11,700	12,200	- 100	- 600
MISCELLANEOUS MANUFACTURING	3,800	3,900	4,000	- 100	- 200
NONDURABLE GOODS	57,400	56,900	58,300	500	- 900
FOOD & KINDRED PRODUCTS	21,600	21,100	22,300	500	- 700
CANNING & PRESERVING	10,400	9,800	10,900	600	- 500
OTHER FOOD PRODUCTS	11,200	11,300	11,400	- 100	- 200
TEXTILE MILL PRODUCTS	1,500	1,500	1,600	0	- 100
APPAREL	2,700	2,700	2,900	0	- 200
PAPER & ALLIED PRODUCTS	9,200	9,300	9,100	- 100	100
PRINTING & PUBLISHING	14,400	14,300	14,000	100	400
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,300	0	0
PETROLEUM & ASPHALT PRODUCTS	600	600	600	0	0
RUBBER & PLASTIC PRODUCTS	4,600	4,600	5,000	0	- 400
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,054,700	1,044,800	1,035,500	9,900	19,200
MINING & QUARRYING	1,700	1,600	1,600	100	100
CONSTRUCTION	53,600	50,500	52,600	3,100	1,000
BUILDING CONSTRUCTION	11,900	11,000	13,600	900	- 1,700
HEAVY CONSTRUCTION	8,400	7,400	7,300	1,000	1,100
SPECIAL TRADE CONTRACTORS	33,300	32,100	31,700	1,200	1,600
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	64,300	64,000	64,000	300	300
TRANSPORTATION	42,700	42,500	42,500	200	200
RAILROAD	3,700	3,700	3,800	0	- 100
TRUCKING & WAREHOUSING	24,100	24,000	24,300	100	- 200
OTHER TRANSPORTATION	14,900	14,800	14,400	100	500
COMMUNICATIONS	12,300	12,200	12,300	100	0
UTILITIES	9,300	9,300	9,200	0	100
TRADE	314,800	312,400	310,000	2,400	4,800
WHOLESALE TRADE	80,400	81,000	78,500	- 600	1,900
DURABLE GOODS	46,800	46,600	45,900	200	900
MACHINERY, EQUIPMENT, & SUPPLIES	10,600	10,600	10,800	0	- 200
OTHER DURABLE GOODS	36,200	36,000	35,100	200	1,100
NONDURABLE GOODS	33,600	34,400	32,600	- 800	1,000
GROCERIES & RELATED PRODUCTS	11,800	12,400	11,600	- 600	200
OTHER NONDURABLE GOODS	21,800	22,000	21,000	- 200	800
RETAIL TRADE	234,400	231,400	231,500	3,000	2,900
BUILDING MATERIALS & GARDEN SUPPLIES	9,100	9,100	8,800	0	300
GENERAL MERCHANDISE	29,300	28,900	29,400	400	- 100
FOOD STORES	39,000	38,200	38,800	800	200
AUTO DEALERS & SERVICE STATIONS	27,900	27,900	28,300	0	- 400
APPAREL & ACCESSORY STORES	9,600	9,400	9,500	200	100
FURNITURE & HOME FURNISHINGS	9,000	9,300	9,600	- 300	- 600
EATING & DRINKING PLACES	86,500	84,600	83,500	1,900	3,000
MISCELLANEOUS RETAIL	24,000	24,000	23,600	0	400
FINANCE, INSURANCE, & REAL ESTATE	81,900	81,200	79,200	700	2,700
FINANCE	28,500	28,600	28,400	- 100	100
INSURANCE	23,200	23,100	23,000	100	200
REAL ESTATE	30,200	29,500	27,800	700	2,400
SERVICES	305,000	303,800	295,800	1,200	9,200
HOTELS & OTHER LODGING PLACES	20,700	20,100	19,700	600	1,000
PERSONAL SERVICES	11,100	11,200	10,800	- 100	300
BUSINESS SERVICES	50,000	48,600	50,600	1,400	- 600
AUTOMOTIVE & MISC. REPAIR SERVICES	17,000	17,100	16,900	- 100	100
MOTION PICTURES & AMUSEMENTS	14,100	14,700	14,100	- 600	0
HEALTH SERVICES	87,000	87,200	84,200	- 200	2,800
LEGAL SERVICES	9,100	9,100	8,800	0	300
PRIVATE EDUCATION	17,400	17,900	14,400	- 500	3,000
SOCIAL SERVICES	28,300	28,100	27,800	200	500
ENGINEERING & MANAGEMENT SERVICES	21,600	21,600	20,900	0	700
OTHER SERVICES & NEC	28,700	28,200	27,600	500	1,100
GOVERNMENT	233,400	231,300	232,300	2,100	1,100
FEDERAL GOVERNMENT	33,900	33,300	36,600	600	- 2,700
STATE GOVERNMENT	62,500	62,500	61,300	0	1,200
EDUCATION	26,300	26,300	26,000	0	300
OTHER STATE	36,200	36,200	35,300	0	900
LOCAL GOVERNMENT	137,000	135,500	134,400	1,500	2,600
EDUCATION	87,800	86,900	85,300	900	2,500
OTHER LOCAL	49,200	48,600	49,100	600	100
LABOR-MANAGEMENT DISPUTES 10/	0	0	500	0	500

OREGON RESIDENT LABOR FORCE (BY PLACE OF RESIDENCE)

	1/ MAY 1991	2/ APR. 1991	MAY 1990	CHANGE FROM APR. 1991	CHANGE FROM MAY 1990
CIVILIAN LABOR FORCE 3/	1,511,900	1,508,900	1,488,400	3,000	23,500
UNEMPLOYMENT	87,300	88,800	75,300	1,500	12,000
PERCENT OF LABOR FORCE	5.8	5.9	5.1	XXX	XXX
SEASONALLY ADJUSTED PERCENT	5.9	5.8	5.2	XXX	XXX
TOTAL EMPLOYMENT 4/	1,424,600	1,420,100	1,413,100	4,500	11,500

1/ Preliminary

2/ Revised

3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.

4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.

5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.

6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).

7/ Goods producing industries include manufacturing, mining, and construction.

8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.

9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.

10/ Employees involved in labor disputes are not included in wage and salary employment counts.

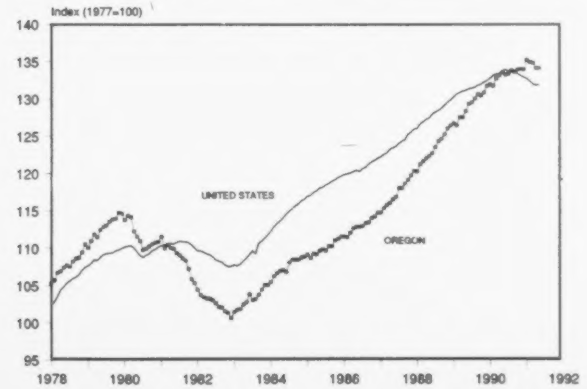
1987, 1988 and 1989 except in the Northwest's important lumber and wood products industry. The year 1988 was beset by labor disputes as well as forest fires, logging restrictions, and the retooling of mills to increase production using smaller second-growth logs. This reduction has continued to the present. Reasons for the decreases have changed, however, from computerized sawmills requiring fewer employees to our current situation of logging restrictions because of the spotted owl and market conditions created by recessionary declines in construction activity nationally. And further restrictions may be forthcoming as a result of the U.S. Fish and Wildlife Service's recent proposal to also list the marbled murrelet as a threatened or endangered species. The federal government now has one year in which to make a final decision.

As the classes of 1991 entered their senior year, the decrease in lumber and wood was joined by employment reductions in manufacturing of other durables and also in the transportation, communication and utilities sector. In spite of these reductions, total wage and salary employment posted the following gains between May-May of each year of the students' education cycle.

1986-1987	35,200
1987-1988	52,900
1988-1989	56,600
1989-1990	48,700
1990-1991	6,500

The Oregon Executive Department predicts the addition of about 19,000 new jobs due to industry growth in 1991. Students starting high school or college four years ago could have anticipated finding a career in nearly any industrial sector as all industries were growing. However, after the completion of four years, a reassessment of career direction may be necessary as the emphasis in hiring is tending to be away from manufacturing positions and toward services, health care, sales and marketing. The willingness to deal with people and the ability to use computers are skills which graduates are going to find necessary in the current job market. Individuals entering the job market will discover that fewer companies are actively recruiting on campuses as competition for prime positions is growing. Companies are being more cautious about hiring due to the slow economy. State and local governments are cutting back as the result of anticipated tax cuts.

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



Nationwide, many positive signs of economic recovery are being noted which should encourage job seekers . . .

Some companies are relocating to areas where labor costs are less. Competition for positions is increasing as older, experienced workers and in-migrants from other states are applying for positions. It is imperative that those entering the labor force target their own abilities and channel their efforts toward positions which seem strong at this time. An accompanying table reflects the 20 occupations in Oregon expected to have the highest number of openings in 1991. The new openings are a sum of newly created positions due to industry growth plus openings created by death, retirement, disability or other permanent separation from the labor force. A second table shows the projected employment and openings by broad career clusters.

These charts are a good indication of where the demand for employees is and will continue to be in the near future. As we enter the third quarter of 1991, most economists are cautiously optimistic that the national recession which started in July 1990 will end soon. Just as economists were slow to use the term "recession" a year ago, many are slow to use the word "recovery" at this point in time. Nationwide, many positive signs of economic recovery are being noted which should encourage job seekers:

- The Commerce Department's index of leading economic indicators rose 0.6% in April, the third consecutive monthly increase.
- Industrial output jumped 0.5% in May, up for the second month in a row, posting the largest gain since June 1990.
- Consumer prices rose only 0.3% in May easing inflation fears.
- Inventories declined 0.5% in April.
- The Dow Jones Industrial Average remained strong.
- Retail sales jumped 1% in May.
- Unemployment claims dropped for four consecutive weeks beginning with the week ending May 11th and continuing through the week ending June 1.
- Sales of cars, vans and pickups rose 9.4% in early June.
- The average hourly pay for factory workers rose in May from $11.10 to $11.15.
- Factory orders and shipments rose.
- Sales of new homes and building permits increased.

OREGON'S TOP 20

Job Title	1991 Projected New Openings
Salespersons	3,473
Janitors & Cleaners	1,799
Bookkeeping & Accounting Clerks	1,543
General Office Clerks	1,538
Combined Food Prep/Service Wkrs	1,418
General Managers/Top Executives	1,241
Registered Nurses	1,198
Other Secretaries	1,159
1st Line Supervisors:Sales & Related	1,118
Cashiers	910
Nurses Aides,Orderlies,Attendants	789
Guards & Watch Guards	786
Truck Drivers: Heavy & Tractor Trailer	707
Maids & Housekeeping Cleaners	705
Sales Agents - Real Estate	680
Receptionists/Information Clerks	665
1st Line Supv: Clerical & Admin	664
Sales Reps: Non Technical	656
Teachers/Elementary	595
Other Helpers, Laborers, Movers	540

Projected Job Openings from the Occupational Program Planning System, Oregon Employment Division

PROJECTED EMPLOYMENT DEMAND
OREGON -- 1991

	Projected Employment	Projected Openings	% of Total Openings
Marketing	210,902	12,181	20.9
Service Occupations	183,697	7,910	13.6
Office Systems	154,770	6,912	11.9
Hospitality, Tourism	153,583	8,203	14.1
Health Occupations	70,560	4,159	7.2
Mechanical Technology	60,654	2,632	4.5
Construction Technology	48,085	1,772	3.0
Agriculture/Agribusiness	45,981	1,922	3.3
Accounting/Financial	44,521	2,499	4.3
Manufacturing Technology	30,405	1,096	1.9
Forestry	23,508	317	.5
Electronics Technology	21,345	874	1.5
Communications	17,484	846	1.4
Clothing	6,997	482	.8
Child Care	2,689	148	.3
Other **	172,390	6,201	10.7
Statewide Total	**1,247,571**	**58,154**	**100.0***

* *Total may be off due to rounding*

** *Includes: Technicians, Scientists, Assemblers, Non-Ag Laborers*

The "Seasonally Adjusted Unemployment Rates" graph at the bottom of the first page comparing the U.S. and Oregon unemployment rates shows that the normal relationship is for Oregon's rate to exceed the nation's. However, in 1990 and the first five months of 1991, this normal relationship has undergone a change. During 1990, the U.S. and Oregon's seasonally adjusted rates seemed to be playing tag with one another. But, with the beginning of 1991, the national rate continued to climb and Oregon's rate fell, and has almost gone into the doldrums. Since October 1990, Oregon's rate has remained in the 5.8 to 5.9 percent range except for a rise to 6.2 percent in December. While this level for the first five months of the year is decidedly higher than January-May 1990, it marks a substantial deviation from the national trend and recent historical pattern. One explanation for this change might be Oregon's much stronger population growth and construction activity. However, any prognostication as to whether we are seeing some sort of watershed change in Oregon's relationship to the nation is still premature. It is safe to say, however, that for Oregon's seasonally adjusted rate to rise to the national level this year would require a substantial slowing of Oregon's economy.

Logging is now at its lowest May employment level in over 20 years.

The recently released employment news for Oregon did not show a slowing of the economy in May, but appeared to show stability in most industry sectors. Although stability may sound encouraging for a nation that has been experiencing a recession since July 1990, stability is not the word which entrants to the labor force want to hear as they search for the perfect job or that entry-level job which they foresee as a first step towards a career.

After significant decreases since January in seasonally adjusted total nonagricultural employment, the slight decrease of 100 from April to May was another sign of what some economists are referring to as a flattening of the economy. A closer look at each industrial sector shows a seasonally adjusted decrease in all manufacturing industries.

Lumber and wood products, the industry which has been closely monitored because of the logging restrictions and market conditions, did show a gain of 1,000 employees. In a typical May, however, employment would have increased by 1,300. Logging is now at its lowest May employment level in over 20 years. Several sawmills and planing mills reported layoffs due to market conditions and the log supply shortage. Veneer and plywood mills (+200) and millwork and structural wood (+400) showed meager positive signs as some mills hired workers previously laid off during temporary shutdowns.

Other durable manufacturing industries, some of which have provided stable jobs in the past for many new entrants to the labor force, continue to show monthly employment losses with several segments contributing to the decline. Ship repair (-200), which hit all-time highs in the latter part of 1990, continues to fluctuate depending on contracts. Other electrical equipment and supplies (-200), a manufacturing industry which was at all-time highs in 1990, has been experiencing a steady decline in the first five months of the year. Other machinery (-300) has reverted to employment levels last experienced in the first quarter of 1988.

Stable employment patterns were seen in the food and kindred products sector and in other nondurable industries. Printing and publishing (+100) has leveled off over the past eight months as demand for newspaper, periodical, and business printing reached a plateau at the onset of the national recession.

Brighter employment news was noted in the nonmanufacturing industries with an overall seasonally adjusted increase of 1,500 jobs, nearly offsetting the corresponding loss of 1,600 jobs in the manufacturing industries. All the major sectors of construction -- building contractors, heavy construction, highway and street construction, and other special trade contractors -- all added employment between April and May. Since the direction of the construction industry directly affects so much of the economy of Oregon, this sector will definitely be closely watched for any change.

The other continuing bright star and hope for additional future jobs was in the services sector where a seasonally adjusted gain of 1,800 was the largest increase of any major industry sector. Hotels and other lodging places (+600) is doing well, employing 1,000 more than last May. The ever volatile employment services (+1,200) rebounded from its April drop. With the end of the ski season, amusements and recreational services (-600) took the typical late spring descent, but will likely rebound with the advent of summer activities.

. . . Oregon has weathered the recession much better than the nation.

Although the government sector added 2,100 jobs from April to May, this was less than the expected 3,300. This weak hiring may be attributable to fewer elections in May or more elections conducted by mail-in ballot. Other local education (+1,100) rose slightly less than expected as the school year was coming to a close.

In looking at the past year, Oregon has weathered the recession much better than the nation. This, along with the positive national signs pointing toward a stronger economy should encourage those entering the labor force. However, with increased competition, a limited number of job openings, and changes in occupational demand, it will be necessary to utilize all resources to find that job which may lead to a promising career.

STATE OF OREGON UNEMPLOYMENT RATES BY AREA

May 1991

	Civilian Labor Force	Total Employment	Unemployment	Rate[1]
State of Oregon	1,511,900	1,424,600	87,300	5.8
Eugene MSA[2]	149,800	140,600	9,200	6.1
Medford MSA[3]	73,070	67,390	5,680	7.8
Portland PMSA[4]	702,700	670,700	32,000	4.6
Salem MSA[5]	140,200	132,300	7,900	5.6
Baker	6,940	6,300	640	9.2
Benton	39,240	37,920	1,320	3.4
Clatsop	18,440	17,450	990	5.4
Columbia	18,440	17,200	1,240	6.7
Coos	27,380	25,090	2,290	8.4
Crook	7,140	6,560	580	8.1
Curry	10,150	9,610	540	5.3
Deschutes	43,670	40,990	2,680	6.1
Douglas	45,420	41,420	4,000	8.8
Gilliam	1,080	1,050	30	2.8
Grant	4,330	3,850	480	11.1
Harney	3,990	3,660	330	8.3
Hood River	9,340	8,120	1,220	13.1
Jefferson	7,070	6,660	410	5.8
Josephine	26,320	24,100	2,220	8.4
Klamath	25,690	23,450	2,240	8.7
Lake	3,840	3,490	350	9.1
Lincoln	20,340	19,340	1,000	4.9
Linn	44,320	40,860	3,460	7.8
Malheur	14,460	13,310	1,150	8.0
Morrow	3,160	2,810	350	11.1
Sherman	870	830	40	4.6
Tillamook	9,550	9,000	550	5.8
Umatilla	29,290	27,000	2,290	7.8
Union	11,400	10,470	930	8.2
Wallowa	3,730	3,360	370	9.9
Wasco	9,840	9,120	720	7.3
Wheeler	630	540	90	14.3

[1] *Not Seasonally Adjusted*

[2] *Lane County*

[3] *Jackson County*

[4] *Clackamas, Multnomah, Washington, Yamhill counties*

[5] *Marion and Polk counties*

OREGON'S AGRICULTURAL SECTOR

Mike Martin

(Editor's note: Mike Martin is a professor of agricultural and resource economics at Oregon State University. This is the conclusion of a two-part article on Oregon agriculture which began in last month's issue of Oregon Labor Trends.)

Regional Development Impacts of Agricultural Economic Change

The changing economic geography of Oregon's agriculture is having a paradoxical impact on subregional economic development and employment. Many of the high-valued crops in western Oregon require considerable labor, particularly for harvesting. Additional labor is utilized in handling and processing. Thus, agriculture in western Oregon creates a relatively large number of jobs. Moreover, because of their relative labor intensity, production and processing of these crops has a high multiplier effect on local economies. As a consequence, agriculture practiced in western Oregon makes important economic contributions to income and employment in rural communities.

> ***. . . agriculture in western Oregon creates a relatively large number of jobs . . . much of the agricultural production of eastern and central Oregon is capital-intensive.***

Conversely, much of the agricultural production of eastern and central Oregon is capital-intensive. Relatively few jobs are created at the farm level. Most commodities are shipped out-of-state for processing. The local economic impact is considerably less than in western Oregon.

However, rural communities in eastern and central Oregon rely much more heavily on agriculture than do communities in western Oregon. Western Oregon's rural economies tend to be more diverse and more dynamic than most of those east of the Cascades.

The paradox is that central and eastern rural economies rely heavily on the lowest impact, least dynamic segments of Oregon's agriculture. Western Oregon's rural economies rely less on agriculture but benefit from the most rapidly growing agricultural subsectors.

The changing structure and shifting geography of Oregon agriculture has significant implications for agriculturally related and induced employment. Retirement of agricultural lands, farm consolidations and increased mechanization in traditional agriculture, practiced east of the Cascades, has meant that the number of on-farm jobs has declined. Moreover, surplus family labor has been released from farming to seek other employment opportunities. During the agricultural recession of the first two-thirds of the 1980s, a number of farms experienced economic stress. In turn, farm-related businesses also came under severe financial pressure. Farm suppliers, farm lenders and farm product merchandisers in the traditional farming areas of Oregon failed.

The loss of these businesses has adversely affected many rural communities in eastern and central Oregon. As agriculture has recovered, there has not been a commensurate recovery in rural communities. Decreased production of wheat, associated with the federal Conservation Reserve Program, has reduced demand for a number of farm inputs and for merchandising services. In Wasco, Sherman, Gilliam, Morrow and Umatilla counties, rural businesses and rural communities have experienced loss of income and loss of employment associated with this policy-induced reduction in grain production.

This has led to population outmigration in a number of these counties. Over the past decade, Gilliam, Wheeler, Harney, Sherman, Baker, Wasco and Wallowa counties have all experienced population declines. These same counties, except for Gilliam, have also had unemployment rates consistently above the state average.

At the same time, agriculturally related employment in western Oregon has grown. A number of crops are labor-intensive in both planting and harvesting. While many of the jobs created in the direct production of agricultural commodities are seasonal in nature, increased processing has created more year-round employment in western Oregon's rural communities.

> ***. . . farm labor demand and induced employment creation may be more unstable in the future.***

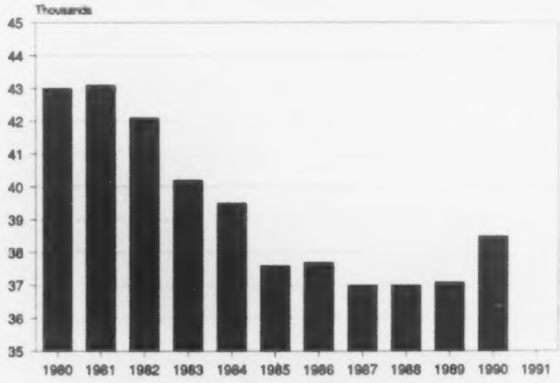
Seasonal demand for harvest labor peaks at about 55,000 workers in June. These workers are drawn to Oregon primarily to harvest the strawberry crop. They remain in the state to serve harvested crops later, including cherries, apples, pears, grapes and hops. The high value of these crops along with their processing creates a significant multiplier effect in the rural subregions as well as in the state's aggregate economy.

Challenges and Problems Facing Oregon's Agriculture

The increasing internationalization of markets for raw and processed commodities from Oregon creates new marketing opportunities but also adds volatility to the agricultural economy. As a consequence, farm labor demand and induced employment creation may be more unstable in the future.

Many segments of Oregon's agriculture face conflict over natural resource use. The listing of endangered Columbia-Snake River salmon species could lead to reduced use of the river for irrigation, electrical power generation and transportation. All of these will affect agricultural incomes and employment.

OREGON AGRICULTURAL EMPLOYMENT
ANNUAL AVERAGES, 1980-1990



The application of pesticides and other chemicals to agricultural crops has raised concern both for worker safety as well as food quality. Farm workers are often exposed to chemicals which could be hazardous to their health. Consumers have expressed concern over pesticide residue on both fresh and processed products. Changes in regulation of pesticide use and applications may directly affect farming practices and, in turn, farm employment.

New and emerging international trade arrangements will likely affect marketing opportunities for many Oregon agricultural products. On balance, the U.S.-Canadian Free Trade Agreement, currently being implemented, should favorably impact Oregon's agricultural export sales. The proposed U.S.-Mexico Free Trade Agreement could create intensified import competition for producers and processors of some fruits and vegetables.

Deterioration of rural infrastructure could adversely affect the viability of agricultural production and processing in some rural areas. Increased costs associated with acquiring inputs and/or marketing outputs could erode farm incomes and threaten financial survival.

Finally, changing government regulations at both the state and federal level could increase the labor costs faced by both farmers and processors. Worker safety and insurance, rural housing for migrant workers, changing immigration requirements, employer liability for farm accidents, and exposure to other hazards all have served to change production costs and ultimately influence the demand for agricultural labor.

Summary and Conclusions

Oregon's agriculture will certainly remain an important sector in the state's economy. Agriculture's long-run strength rests on the state's natural resource-based comparative advantage. Oregon farmers and processors are finding new opportunities in both domestic and international markets. One of the most rapidly growing segments of Oregon's agriculture is in the production of nursery crops. This is a high-valued and labor-intensive industry. Much of the new growth in this industry is being driven by overseas demand. Oregon's proximity to the high growth Pacific Rim economies promises to continue to drive this and related activities toward a greater contribution to the state's economy. While Oregon's agriculture will continue to change, it will remain an important contributor to the economic health and particularly to employment in a number of rural communities and subregions.

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Apr.[2] 1991	Mar.[3] 1991	Apr. 1990	Apr.[2] 1991	Mar.[3] 1991	Apr. 1990	Apr.[2] 1991	Mar.[3] 1991	Apr. 1990
TOTAL MANUFACTURING[4]	$447.30	$446.55	$445.11	39.1	39.0	40.1	$11.44	$11.45	$11.10
Durable Goods	447.70	445.79	457.26	39.1	38.9	40.9	11.45	11.46	11.18
Lumber & Wood Products	433.44	421.13	453.99	38.7	37.5	40.9	11.20	11.23	11.10
Logging & Sawmills	465.68	453.28	479.12	39.1	37.9	40.5	11.91	11.96	11.83
Veneer & Plywood	404.74	416.80	457.29	37.2	38.7	41.8	10.88	10.77	10.94
Millwork & Structural	383.94	340.28	394.25	39.5	34.9	41.5	9.72	9.75	9.50
Mobile Homes	357.29	303.36	354.72	36.2	31.6	37.3	9.87	9.60	9.51
Other Wood Products	437.18	448.84	447.28	39.6	40.4	41.3	11.04	11.11	10.83
Furniture & Fixtures	356.38	385.97	355.34	34.4	37.4	34.6	10.36	10.32	10.27
Primary Metals	516.98	526.58	514.90	40.9	41.3	40.8	12.64	12.75	12.62
Fabricated Metals	420.42	423.77	410.94	38.5	38.7	39.4	10.92	10.95	10.43
Machinery (Ex Electrical)	445.96	444.24	447.23	39.5	39.7	40.4	11.29	11.19	11.07
Nondurable Goods	444.99	450.74	411.97	39.0	39.4	37.9	11.41	11.44	10.87
Food & Kindred Products	355.51	364.28	338.67	36.5	37.4	35.5	9.74	9.74	9.54
Canning & Preserving	297.85	307.34	276.89	35.0	36.2	33.4	8.51	8.49	8.29
Other Food Products	421.30	429.52	420.48	38.3	38.8	38.4	11.00	11.07	10.95
Textile Mill Products	272.70	278.54	257.40	38.3	38.0	36.0	7.12	7.33	7.15
Apparel	284.01	279.80	275.10	39.5	38.7	39.3	7.19	7.23	7.00
Paper & Allied Products	705.43	688.97	634.85	44.2	43.8	40.8	15.96	15.73	15.56
Printing & Publishing	471.58	496.52	445.70	38.0	38.7	37.9	12.41	12.83	11.76
Construction[4]	596.60	584.45	591.69	38.0	35.9	38.1	15.70	16.28	15.53
Communications & Utilities[5]	635.09	617.27	573.12	41.7	41.4	41.5	15.23	14.91	13.81
Trade[5]	273.73	275.55	336.06	31.0	31.1	35.6	8.83	8.86	9.44
Wholesale Trade	438.15	435.10	447.82	38.2	38.0	39.7	11.47	11.45	11.28
Retail Trade	219.84	220.70	278.39	28.7	28.7	33.5	7.66	7.69	8.31
Banking & Insurance[5]	377.83	387.23	375.39	36.4	36.6	38.7	10.38	10.58	9.70
State & Local Government	422.86	421.37	401.73						

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[1] *Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.*

[2] *Preliminary*

[3] *Revised*

[4] *Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.*

[5] *Data for nonsupervisory employees only, excluding proprietors and executive personnel. Prior to 1991, data for retail trade excludes eating and drinking places.*

WORKFORCE DEVELOPMENT CROSSES INTERNATIONAL BOUNDARIES

Nancy Hargis

The development of the Oregon workforce is one of the top priorities of Governor Barbara Roberts. One component of her strategy is the establishment of a Workforce Quality Council to oversee and provide policy direction for the range of education, job training and placement services. The council, comprised of leaders of both state and local government and the private sector, will work with the governor and legislature to set an agenda for enhancing the development of the state's workforce. Regional workforce councils will follow through with the state's initiatives through greater levels of coordination and communication.

Why are these important steps? A report by the Legislative Fiscal Office in 1990 indicated that over a dozen state agencies are responsible for education and training programs costing in excess of $250 million dollars. Each program has its client group, target population, goals, objectives, regulations and funding. Fiscal constraints abound at every level, with competition among public agencies and the private sector for scarce resources. While coordinated planning is emerging in many regions of the state, much more can be done. Establishing clear policies and increasing coordination among diverse groups are two of the Oregon Workforce Quality Council's first priorities.

Are these situations and problems unique to Oregon? Perhaps thankfully, they are not. Throughout the country and indeed around the world, both industrialized and developing nations face similar scenarios.

The following extracts from "Occupational Information and International Development, Improving HRD Diagnostics" by John E. S. Lawrence of the United Nations Development Program, summarize both the challenges and opportunities Oregon faces as it strives to improve its workforce development systems.

"Worldwide, serious human resources problems provide a menacing backdrop to efforts directed toward stable economic development and improvement of the quality of life for all individuals. The specifics of these problems vary across nations, and between the more or less industrialized countries, and it is important to note that there is no prescribed linear path to "development" that all nations follow. However, there are some similarities in HRD issues facing most countries today. One shared overall dimension is the concern over the relationship between work force skills, productivity, and international competitive position.

"While the details may be quite different, most nations share perceptions of inadequacy in educational systems' capacity to keep pace with "upstream" needs as represented by the changing demographics of educational supply. Countries are equally concerned about shortcomings in linkages "downstream" between education and productive employment.

"In the face of these difficulties, the need is apparent for more coordinated HRD strategies that explicitly recognize and articulate these upstream and downstream factors in the educational policy environment. Education is only one, albeit a critical one, of the components in the entire complex of public agencies concerned with preparation and effective performance of individuals in productive societal roles. Health, employment, trade, and industrial policy all affect the development and contributions of human resources to economic progress.

"The increased complexity and uncertainties associated with the resulting HRD environment require different kinds of problem-solving in terms of both public policy and individual decisions. A new premium is thus placed on the amount and type of information needed to support these decisions. Techniques are needed to design where necessary, but more practically in the current climate of fiscal austerity, to adapt existing labor market information more effectively to assist both public agency decision making and individual consumer and entrepreneurial choice relating to education, training, employment, and economic development."

Dr. Lawrence's paper is one in a series of Occasional Papers published in 1990 by the National Occupational Information Coordinating Committee. Single copies are available from the Northwest Regional Educational Laboratory, 101 SW Main Street, Suite 500, Portland, Oregon 97204. Telephone 1-800-547-6339 ext. 518.

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OREGON LABOR TRENDS

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August 1991

OREGON LABOR TRENDS

State of Oregon • Employment Division• Department of Human Resources

INDICATORS

UNEMPLOYMENT RATE

Oregon *(Seasonally Adjusted)*

June	1991	6.0
May	1991	5.9
June	1990	5.3

United States *(Seasonally Adjusted)*

June	1991	7.0
May	1991	6.9
June	1990	5.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon *(1977=100)*

June	1991	134.5
May	1991	134.3
April	1991	134.1
March	1991	134.8
February	1991	134.9

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

May	1991	$11.43
April	1991	$11.44
May	1990	$11.12

PRODUCTION WORKER AVERAGE WEEKLY HOURS

May	1991	39.5
April	1991	39.1
May	1990	39.8

CONSUMER PRICE INDEX (CPI)

1982-84 = 100

All Urban Customers

Portland-Vancouver

July-Dec. 1990	129.8
Yearly Change	6.7%
Annual Average 1990	127.4
Annual Change	5.8%

United States

June 1991	136.0
Yearly Change	4.7%
Annual Average 1990	130.7
Yearly Change	5.4%

Portland Hotlline (503) 326-4132

ON YOUR MARK . . . GET SET . . .

Jeff Hannum

If you're waiting for a clear signal that the nation's year-long recession is over and a strong recovery has begun, you won't find it in the latest pile of economic statistics. Instead, the picture that is emerging is of a national economy that is trying to pick itself off the floor and crawl into the recovery room. We do seem to be at a turning point, but the prospects for what comes next are not all that clear, or even encouraging. While some economists expect this to be a "double-dip" or "w-shaped" recession, the consensus calls for an unusually fragile and anemic recovery compared with previous expansions. Virtually no one foresees a strong rebound in business activity in the next year or two.

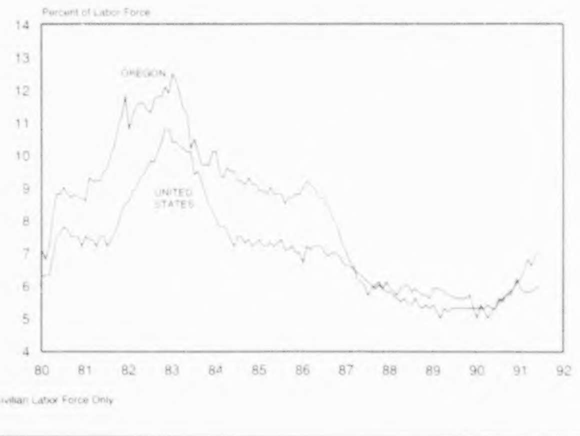
Why such pessimism? After all, 1992 is even a major election year. There are probably many reasons supporting the slow growth scenario but let's just mention a few:

- this may not come as a surprise, especially on the first of the month, but economists tell us that you and I (and other consumers) are financially "maxed out." That weary feeling you have may not be related to your workout regimen or mowing the lawn - it just may be a mountain of bills coupled with stagnant income growth and too much month left at the end of the money. So don't expect consumers (other than your spouse, perhaps) to come charging out of the spending gate as they have in the past.

- another reason supporting a weak recovery is that builders, at least nationally, are "spaced out." In other words, they've over-built commercial and residential space, especially back east and in California. This, coupled with relatively high long-term interest rates and tight credit, means that construction will provide much less "kick" during this recovery than in the past.

- a third factor is that bankers and borrowers are "freaking out" over what they see as too-stringent bank regulation in the wake of the S&L fiasco and too little money supply growth and credit availability supplied by the Federal Reserve. This "credit crunch" is especially hard on small to medium-sized firms that rely more on banks for their financing needs. Most new jobs created also tend to come from smaller firms.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



Civilian Labor Force Only

OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	JUN. 1991 1/	MAY 1991 2/	JUN. 1990	CHANGE FROM MAY 1991	CHANGE FROM JUN. 1991
TOTAL 5/	1,276,400	1,261,300	1,264,300	15,100	12,100
WAGE & SALARY EMPLOYMENT INDEX 6/	134.5	134.3	133.2	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	267,600	260,500	277,000	7,100	-9,400
SERVICE PRODUCING INDUSTRIES 8/	1,008,800	1,000,800	987,300	8,000	21,500
TOTAL MANUFACTURING	210,200	205,600	221,900	4,600	-11,700
DURABLE GOODS	150,800	148,000	160,700	2,800	-9,900
LUMBER & WOOD PRODUCTS	59,200	56,900	65,600	2,300	-6,400
LOGGING	10,900	9,800	11,700	1,100	-800
SAWMILLS	19,700	19,300	22,100	400	-2,400
VENEER & PLYWOOD	12,300	11,700	14,800	600	-2,500
MILLWORK & STRUCTURAL WOOD	10,300	9,900	11,000	400	-700
MOBILE HOMES	2,000	2,100	1,900	-100	100
OTHER WOOD PRODUCTS	4,000	4,100	4,100	-100	-100
FURNITURE AND FIXTURES	3,000	3,100	3,100	-100	-100
STONE, CLAY, GLASS & CONCRETE	4,500	4,300	4,400	200	100
PRIMARY METALS	11,500	11,300	11,200	200	300
BLAST FURNACES, IRON & STEEL 9/	6,000	5,900	5,600	100	400
NONFERROUS METALS 9/	5,500	5,400	5,600	100	-100
FABRICATED METALS	11,200	11,100	11,700	100	-500
FABRICATED STRUCTURAL METALS	4,800	4,800	5,100	0	-300
OTHER FABRICATED METALS	6,400	6,300	6,600	100	-200
MACHINERY	15,900	16,000	18,100	-100	-2,200
OFFICE & COMPUTING MACHINES	4,300	4,300	4,600	0	-300
OTHER MACHINERY	11,600	11,700	13,500	-100	-1,900
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,400	17,400	17,400	0	0
TRANSPORTATION EQUIPMENT	12,600	12,500	13,000	100	-400
INSTRUMENTS & RELATED PRODUCTS 9/	11,600	11,600	12,100	0	-500
MISCELLANEOUS MANUFACTURING	3,900	3,800	4,100	100	-200
NONDURABLE GOODS	59,400	57,600	61,200	1,800	-1,800
FOOD & KINDRED PRODUCTS	23,000	21,600	24,900	1,400	-1,900
CANNING & PRESERVING	11,500	10,400	13,500	1,100	-2,000
OTHER FOOD PRODUCTS	11,500	11,200	11,400	300	100
TEXTILE MILL PRODUCTS	1,500	1,500	1,600	0	-100
APPAREL	2,800	2,800	2,900	0	-100
PAPER & ALLIED PRODUCTS	9,500	9,200	9,400	300	100
PRINTING & PUBLISHING	14,500	14,500	14,000	0	500
CHEMICALS & ALLIED PRODUCTS	2,300	2,300	2,300	0	0
PETROLEUM & ASPHALT PRODUCTS	700	600	600	100	100
RUBBER & PLASTIC PRODUCTS	4,600	4,600	5,000	0	-400
LEATHER PRODUCTS	500	500	500	0	0
TOTAL NONMANUFACTURING	1,066,200	1,055,700	1,042,400	10,500	28,300
MINING & QUARRYING	1,800	1,700	1,600	100	200
CONSTRUCTION	55,600	53,200	53,500	2,400	2,100
BUILDING CONSTRUCTION	12,600	11,700	13,600	900	-1,000
HEAVY CONSTRUCTION	8,900	8,300	7,700	600	1,200
SPECIAL TRADE CONTRACTORS	34,100	33,200	32,200	900	1,900
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	65,000	64,400	64,100	600	900
TRANSPORTATION	43,400	42,800	42,500	600	900
RAILROAD	3,800	3,800	3,800	0	0
TRUCKING & WAREHOUSING	24,700	24,100	24,600	600	100
OTHER TRANSPORTATION	14,900	14,900	14,100	0	800
COMMUNICATIONS	12,300	12,300	12,300	0	0
UTILITIES	9,300	9,300	9,300	0	0
TRADE	317,500	314,800	313,900	2,700	3,600
WHOLESALE TRADE	80,900	80,400	79,000	500	1,900
DURABLE GOODS	47,100	46,700	46,500	400	600
MACHINERY, EQUIPMENT, & SUPPLIES	10,700	10,600	10,900	100	-200
OTHER DURABLE GOODS	36,400	36,100	35,600	300	800
NONDURABLE GOODS	33,800	33,700	32,500	100	1,300
GROCERIES & RELATED PRODUCTS	11,900	11,800	11,800	100	100
OTHER NONDURABLE GOODS	21,900	21,900	20,700	0	1,200
RETAIL TRADE	236,600	234,400	234,900	2,200	1,700
BUILDING MATERIALS & GARDEN SUPPLIES	9,500	9,200	9,100	300	400
GENERAL MERCHANDISE	28,700	29,100	29,800	-400	-1,100
FOOD STORES	39,300	39,000	39,600	300	-300
AUTO DEALERS & SERVICE STATIONS	28,300	27,900	28,200	400	100
APPAREL & ACCESSORY STORES	10,000	9,600	10,200	400	-200
FURNITURE & HOME FURNISHINGS	9,500	9,300	9,700	200	-200
EATING & DRINKING PLACES	88,500	86,500	85,200	2,000	3,300
MISCELLANEOUS RETAIL	22,800	23,800	23,100	-1,000	-300
FINANCE, INSURANCE, & REAL ESTATE	82,800	81,700	79,900	1,100	2,900
FINANCE	28,600	28,400	28,400	200	200
INSURANCE	23,200	23,100	23,000	100	200
REAL ESTATE	31,000	30,200	28,500	800	2,500
SERVICES	307,700	306,200	295,600	1,500	12,100
HOTELS & OTHER LODGING PLACES	21,800	20,800	20,900	1,000	900
PERSONAL SERVICES	11,000	11,100	10,900	-100	100
BUSINESS SERVICES	51,300	50,100	50,900	1,200	400
AUTOMOTIVE & MISC. REPAIR SERVICES	17,500	17,000	16,800	500	700
MOTION PICTURES & AMUSEMENTS	14,800	14,600	14,100	200	700
HEALTH SERVICES	87,300	87,400	84,900	-100	2,400
LEGAL SERVICES	9,300	9,200	9,000	100	300
PRIVATE EDUCATION	14,400	17,400	12,600	-3,000	1,800
SOCIAL SERVICES	28,300	28,300	26,600	0	1,700
ENGINEERING & MANAGEMENT SERVICES	22,700	21,600	20,900	1,100	1,800
OTHER SERVICES & NEC	29,300	28,700	28,000	600	1,300
GOVERNMENT	235,800	233,700	233,800	2,100	2,000
FEDERAL GOVERNMENT	35,200	33,800	37,800	1,400	-2,600
STATE GOVERNMENT	63,900	62,800	62,800	1,100	1,100
EDUCATION	26,300	26,300	26,200	0	100
OTHER STATE	37,600	36,500	36,600	1,100	1,000
LOCAL GOVERNMENT	136,700	137,100	133,200	-400	3,500
EDUCATION	85,800	87,900	82,800	-2,100	3,000
OTHER LOCAL	50,900	49,200	50,400	1,700	500
LABOR-MANAGEMENT DISPUTES 10/	0	0	300	0	-300

OREGON RESIDENT LABOR FORCE
(BY PLACE OF RESIDENCE)

	1/ JUN. 1991	2/ MAY 1991	JUN. 1990	CHANGE FROM MAY 1991	 JUN. 1991
CIVILIAN LABOR FORCE 3/	1,559,200	1,511,900	1,518,100	47,300	41,100
UNEMPLOYMENT	93,200	87,000	80,600	6,200	12,600
PERCENT OF LABOR FORCE	6.0	5.8	5.3	XXX	XXX
SEASONALLY ADJUSTED PERCENT	6.0	5.9	5.3	XXX	XXX
TOTAL EMPLOYMENT 4/	1,466,000	1,424,900	1,437,500	41,100	28,500

1/ Preliminary
2/ Revised
3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job-holding and commuting.
4/ Includes nonagricultural wage and salary, self employed, unpaid family workers, domestics, farm workers, and labor disputants.
5/ Includes full- and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.
6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).
7/ Goods producing industries include manufacturing, mining, and construction.
8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.
9/ Series break. Data for 1988 and thereafter are not compatable to those for 1987 and before.
10/ Employees involved in labor disputes are not included in wage and salary employment counts.

- and then there's the federal government which seems to be ... well, shall we just say over-extended fiscally. The *Wall Street Journal* reports that the federal budget deficit is expected to hit a record $282 billion this year and an even bigger $348 billion next year! At that rate, we'll all have to outlive Methuselah (that's 969 years!) just to pay the interest on our share of the debt. To make matters worse, more than half of the states are facing huge budget deficits by raising taxes and cutting spending. So far, at least, Oregon is faring relatively well, although our state's fiscal time bomb is ticking due to the passage of Measure 5 last November.

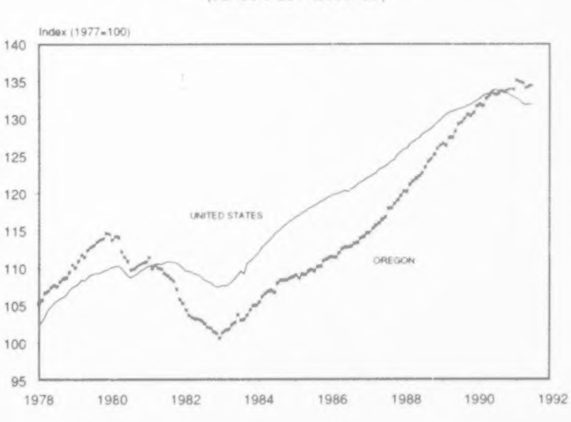
When you throw in the fact that defense spending is winding down, that the export stimulus is likely to weaken (higher foreign exchange value of the dollar plus slower economic growth overseas), and that many service-producing industries will be "restructuring" in the 1990s much like the manufacturing sector did in the '80s, it is difficult to envision a strong, sustained recovery.

Two major reasons for the record long expansion in the 1980s were big federal tax cuts and the heavy use of debt by consumers, business and the government to sustain demand even when income gains and tax revenues fell short. The bill for these excesses is now coming due in the form of tight credit and an unusually weak economic recovery that may bring little, if any, improvement in the unemployment situation and in real incomes after taxes. One positive side of this situation is that inflation is also likely to remain subdued (i.e., 3-4%) for at least the next year or two. Any improvement beyond that will require significant productivity gains in the service-producing sector which employs over three-fourths of all nonfarm workers. The most important area within services to control is medical care, where inflation has typically been almost twice the overall rate for years.

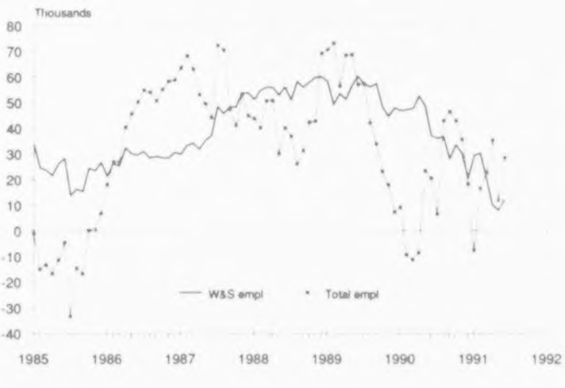
On that cheery note, let's shift our attention away from the nation, where unemployment inched up to 7.0% in June, the highest rate in five years, and focus instead on Oregon. Rather than zero in on June's labor market data with a microscope, let's step back and look at the trends over a longer time span with a wide-angle lens. This can be very helpful since it provides a context for better understanding the current situation.

First, consider the seasonally adjusted unemployment rate. The graph on the first page shows that Oregon's rate has been relatively stable and low so far this year, remaining in a narrow band between 5.8% and 6.0%, which it reached in June. Surprisingly, the national recession has not

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



GRAPH 3
OREGON EMPLOYMENT CHANGE
FROM ONE YEAR AGO



had a major impact on the state's overall unemployment rate. After reaching a 20 year low of 5.0% in April 1990 the rate rose steadily to 6.2% last December, and has receded a bit since then. Even more unusual is that Oregon's jobless rate has averaged only 5.9% during the first half of 1991, nearly a full percentage point lower than the nation's. This gap may narrow in the next year as the national economy begins to recover and Oregon continues to adjust to a lower level of federal timber harvest, slower population in-migration, and delayed impacts on the state's durable goods manufacturing sector from the national recession.

Another key factor clouding Oregon's unemployment prospects is the state's fiscal health. If no replacement revenues are forthcoming, Measure 5 will force progressively steeper spending and staff cuts over the next several years, especially within state government. This will make it much harder and more expensive for the state and local governments in Oregon to finance construction capital projects needed to support economic development. In addition, more social problems may be swept under the rug.

Another good barometer for Oregon's economy is the "nonfarm wage and salary employment index." This indicator, which actually has nothing to do with wage and salary *income*, shows the trend of nonfarm *employment* (the number of *jobs* actually), after seasonal adjustment, and indexed to the 1977 annual average employment level (1977=100). Since the number of nonfarm jobs tends to mirror the health of the overall economy without "lagging" or "leading," it is one of the best measures of the current economic trend. It is also highly reliable, available on a timely basis, and subject to minimal revision. In Oregon, the nonfarm employment estimate is developed by the Employment Division based upon a monthly survey of about 7,000 reporting establishments, including both public and private employers. At the national level, monthly payroll job trends from this federal-state cooperative survey of business establishments are followed closely by Federal Reserve policymakers including Alan Greenspan, the Fed Chairman. So if it's good enough for Al to use when deciding whether to crank up interest rates a notch or the money supply by a few billion, it's probably worth paying attention to the Oregon (or even local area) payroll jobs trend.

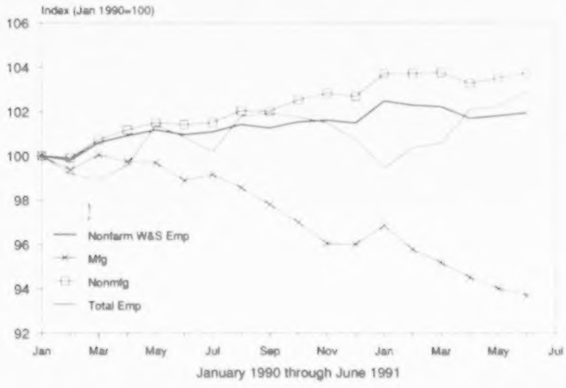
An accompanying graph shows the nonfarm employment indexes (seasonally adjusted) for both Oregon and the U.S. through June 1991. The impact of the national recession which began last summer is clearly evident from the U.S. employment index which peaked in June 1990 but has declined every month since then except for a short-lived rise in May. Oregon's employment index, however, continued to increase, although at a slower rate, through December and reached its all-time peak in January. Following three months of employment "recession," Oregon's jobs index rose in both May and June.

Another way of looking at Oregon's economic performance is to compare the current month's employment level with the same month one year earlier. A third graph shows this comparison for both nonfarm wage and salary employment (from the survey of 7,000 employer establishments discussed earlier) and also for total resident employment (this covers everybody including agricultural workers and nonfarm self-employed, unpaid family and domestic workers). The monthly estimates of total employment are much more erratic and subject to later revisions since they include hard-to-measure groups such as farm workers and the self-employed. In addition, the total employment estimates are based, in part, on a monthly survey (the Current Population Survey) of about 600 households in Oregon conducted by the Bureau of the Census. The small number of households contacted results in greater sampling errors, more volatility, and larger revisions a year or two later. Therefore, anyone using employment data to assess the health of Oregon's economy (or a local area) should focus mainly on nonfarm payroll employment which is based on employer tax records and the survey of establishments (the Current Employment Statistics survey) rather than the total employment series.

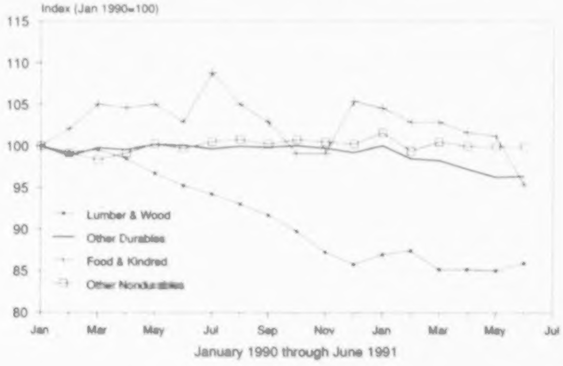
If you look again at the employment change graph, it shows a declining, yet quite predictable, annual change in nonfarm wage and salary employment during 1990-91, which is what we would expect during an economic recession. The annual change in total employment, however, is very erratic and unstable, and often doesn't even bear any resemblance to the nonfarm jobs series. This divergence in trends from the two employment series also occurs nationally but it is much more pronounced and volatile at the state and local levels. It is important for data users, and especially policymakers, to be aware of this divergence in order to better assess and respond to economic conditions.

Since it has been said that "one picture is worth *billions* and *billions* of words..." (by Carl Sagan, I think), I will risk using several more graphs to show how Oregon's major industry categories have fared so far in 1991 relative to 1990. The technique used was to convert seasonally adjusted employment for each industry from January 1990 through June 1991 to an index value where each industry's January 1990 level was set equal to 100. If employment in each industry exhibited only its normal

GRAPH 4
OREGON SEASONALLY ADJUSTED EMPLOYMENT



GRAPH 5
OREGON MANUFACTURING EMPLOYMENT
(SEASONALLY ADJUSTED)



seasonal pattern with no real growth or decline, its index value would remain at 100 each month as shown by a horizontal line. An index value of 95 would indicate employment had declined by 5% since January 1990, while a reading of 105 would show 5% real growth. Since the slope of the lines show relative growth rates, it is easy to see which industries have fared best or worst during the past year and a half or during just the first half of 1991.

Graph 4 is especially revealing since it also shows the divergent trends, particularly in 1991, between nonfarm wage and salary employment and total employment as discussed earlier. Nonfarm payroll employment rose gradually last year, reached an all-time high in January 1991, and has shown virtually no growth so far this year. Total employment, however, was on a roller coaster during 1990. It hit the skids late last year reaching its *lowest* point in January, then went on a binge during the first half of this year reaching its peak in June.

What is going on? Are all those dislocated timber workers and in-migrants from California going into farm work or becoming self-employed gurus of something or other? I doubt it. A better explanation is that the total employment series is too erratic at the state and local levels to be reliable as a monthly economic indicator. During recessions, it is likely that some workers who lose their nonfarm payroll job will go into some type of self-employment. But this is usually temporary and probably does not fully account for the strong total employment increase shown during the first half of 1991.

If, in fact, the total employment series is exaggerating the employment "recovery" during this first half of 1991, then several questions arise. First, has the unemployment level and rate been too low during the first half of 1991, and likely to be revised upward early next year by the Bureau of Labor Statistics when 1990 Census data are incorporated into the annual benchmark revisions? And second, if total employment gains in the first half of 1991 are too rosy, does that imply that they may be understated in the second half due to some kind of self-correcting statistical mechanism? If they are, will Oregon's unemployment rate trend be adversely affected? Unfortunately, we won't know the answers to these questions until early next year when the Bureau of Labor Statistics completes the annual revisions to the household survey-based labor force and unemployment data. The message here is that the best and most reliable employment trends data will come from the nonfarm payroll employment by industry series. This series is developed from employer tax records and the survey of 7,000 establishments. Those readers who would like more information on the strengths and weaknesses of the household and business establishment surveys are encouraged to contact the author. Also, a reprint is available of a May 2, 1991 article in the *Daily Labor Report* (Bureau of National Affairs, Inc., Washington D.C.) entitled "Jobs Data Scrutinized as Recession Unfolds."

Returning to Graph 4, note that nonmanufacturing employment in Oregon increased gradually during 1990, but has more or less plateaued since early this year. Manufacturing, on the other hand, has been in a tailspin over the past year and a half. If this trend continues, more nonmanufacturing jobs will eventually be at risk.

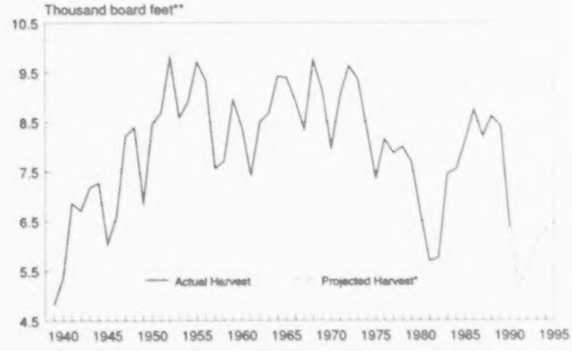
Graph 5 takes a closer look at four manufacturing categories. It's no surprise that lumber and wood products has been the biggest loser by far. What is interesting is that virtually all of the job loss occurred during 1990. So far in 1991, this industry has mostly been just bumping along the bottom. It stayed there even in the second quarter when lumber and plywood prices soared due to low inventories in the pipeline, a seasonal upswing in demand, and a heavy dose of panic buying after the U.S. Fish and Wildlife Service proposed logging restrictions on over 11 million acres of forest lands in the Pacific Northwest to protect the spotted owl. (Since late June, wood products prices have fallen about as fast as they rose in the spring.)

The national recession plus the cutbacks in federal timber supply due to the spotted owl, past over-cutting, and other factors have delivered a one-two punch that will likely result in the lowest annual timber harvest in Oregon this year (about 5.1 billion BF) since 1939! In 1988-89, Oregon's timber harvests were 8.6 and 8.4 billion BF, respectively.

Other durable goods manufacturing (excluding lumber and wood) actually held steady all last year despite the national recession and turmoil in the Persian Gulf. But these industries, including electronics, machinery, transportation equipment, and metals, typically react with a time lapse. This lag is reflected by the steady downtrend in the first half of 1991. Further declines are expected since U.S. capital spending declined at nearly a 10% annual rate in the first half of 1991 and the national economy, although kicking, is still sort of "brain dead."

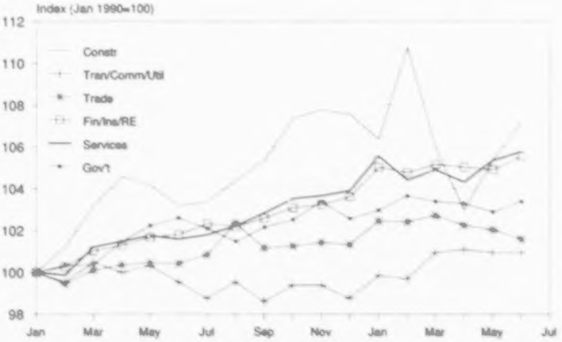
While nondurable goods manufacturing, excluding food products, has been relatively flat over the past year, the food processing industry showed a more volatile pattern, even after seasonal adjustment. Job trends were especially strong in the first part of 1990, slipped in the fall, and have shown persistent weakness during the first half of 1991. The sharp dropoff in June is probably only temporary, reflecting less than

OREGON TIMBER HARVEST
PUBLIC AND PRIVATE



**Scribner log scale
*May 1991 projection by Oregon Exec Dept

GRAPH 6
OREGON NONMANUFACTURING EMPLOYMENT
(SEASONALLY ADJUSTED)



January 1990 through June 1991

normal hiring by processing plants. Unusually cool, wet weather through June delayed strawberry and cherry harvests by two to three weeks.

Job trends in the major nonmanufacturing industries are highlighted in Graph 6. Although the y-axis scaling is narrower than in the previous graph in order to minimize the "clutter factor," it's evident that the construction industry has been the star performer in Oregon's economy, especially in 1990. Although seasonally adjusted employment has backed off from the February peak, construction employment in June nearly reached its all-time June high set in 1979. The weakest part of the industry is in construction of new homes, especially multi-family. There, the number of unit building permits has dropped by 66% during the first half of 1991 compared with the same period a year ago. Single-family permits have also fallen (-11%), but less precipitously. Repair and alteration work, however, has jumped sharply on both residential and non-residential buildings. This increase may, in part, be due to employers facing a January 1992 deadline to begin making their buildings more accessible to the physically impaired as required by the Americans with Disabilities Act of 1990.

Within the service-producing sector, the two industries that have fared best have been services and finance, insurance and real estate. In both cases, however, growth was largely confined to 1990 with little change evident since January. With mortgage interest rates quite possibly going even lower, we may see signs of strength in the second half in at least the home (re)financing industry.

Government employment has shown a similar pattern with a couple of exceptions. Faster job growth in the spring of 1990 was probably due to the hiring of several thousand temporary census workers which were laid off by the end of summer. Gains early this year could reflect the start of the legislative session. The slippage since February's peak is probably related to spending limitations and budget worries by state and local governments in the shadow of Measure 5, not to mention Uncle Sam's red ink-bleeding checkbook.

Job trends in the big trade category were one notch above anemic during 1990, especially in retail trade, but at least they were mostly positive. The upward spike in August was due to the opening of new stores and, more importantly, the effects of a grocery clerks labor dispute involving 5,000 workers. Due to the timing of the strike, both replacement workers and those returning after the dispute were counted as being employed. After reaching a peak, however, in the first few months of 1991, trade employment has been heading south. This is a little surprising when you consider that consumers have been getting some pretty fat income tax refunds. For the period January through June 1991, about 70% of all Oregon tax filers got state tax refunds averaging $289. Their federal income tax refunds were probably much larger based on IRS national data showing 89% of all tax filers got refunds averaging a whopping $909! Where's all the money going? Since the mattress and shoebox industries didn't report a surge in new orders, it's likely that taxpayers had spent their refunds earlier and have decided to pay off some debts in the face of uncertain economic prospects ahead.

The last and weakest industry shown in Graph 6 is transportation, communications and utilities. Most of the fluctuation in this category comes in the trucking and warehousing sector. After losing workers last summer, employment in T.C.U. rallied early this year but has been flat as a pancake since March, only 1% above its level of 18 months ago.

In summary, when you put it all together, the nation's and Oregon's economies today are like the race between the tortoise and the hare - only this time its a race between two tortoises. Oregon may win the race, but it sure won't set any speed records.

THE FRUITS OF LABOR

Bob Wilson

Total compensation -- the value of wages and fringe benefits received by workers -- has changed dramatically since the early 1900s. Motivated by a variety of economic events, fringe benefits have become an increasingly large share of total compensation. However, employees have not shared equally in this change. Recent studies of compensation costs and benefit participation rates point to a growing group of workers who earn low wages and receive few benefits.

Historical Perspective

Drawing information from the article "Compensation trends into the 21st century," *Monthly Labor Review*, February 1990, we find that prior to the 1930s, the terms 'total compensation' and 'wages' could be used interchangeably. Workers received wages based on the number of hours worked or the number of units produced. Fringe benefits, as we know them today, did not exist. There was no medical insurance to protect families from illness expenses, and workers faced unemployment, injury and retirement alone. It was up to each family to save enough to protect themselves from income loss due to these events.

Then the Great Depression of the 1930s hit. America had never before experienced economic suffering of such magnitude. For a full decade, the U.S. economy struggled. At its depths, twenty-five percent of American workers were unemployed and pervasive poverty resulted. Clearly, workers and their families could not be expected to individually prepare for such a financial catastrophe. As a result, Congress responded by passing the Social Security Act in 1935. Workers became entitled to mandatory unemployment insurance and retirement benefits funded through payroll taxes.

TABLE 1

Employer Costs per Hour Worked for Employee Compensation
Private Industry by Broad Industry Categories
Bureau of Labor Statistics
March 1991

	Goods-producing Industries		Service-producing Industries	
Total compensation	**$18.48**	**100.0%**	**$14.31**	**100.0%**
Wage rate	12.70	68.7	10.58	74.0
Total benefits	5.78	31.3	3.72	26.0
Paid leave	1.27	6.9	0.97	6.8
Supplemental pay	0.63	3.4	0.26	1.8
Insurance	1.41	7.6	0.86	6.0
Retirement/savings	0.66	3.6	0.36	2.5
Legally required	1.78	9.7	1.26	8.8
Other	0.03	0.2	*	*

** cost per hour is $0.01 or less*

TABLE 2

Employer Costs per Hour Worked for Employee Compensation
Private Industry by Broad Occupational Categories
Bureau of Labor Statistics
March 1991

	White-collar Workers		Blue-collar Workers		Service Workers	
Total compensation	**$18.15**	**100.0%**	**$15.15**	**100.0%**	**$7.82**	**100.0%**
Wage rate	13.40	73.8	10.37	68.4	5.96	76.3
Total benefits	4.75	26.2	4.78	31.6	1.85	23.7
Paid leave	1.38	7.6	0.91	6.0	0.35	4.5
Supplemental pay	0.32	1.8	0.54	3.5	0.11	1.4
Insurance	1.12	6.2	1.15	7.6	0.39	5.0
Retirement/savings	0.52	2.9	0.49	3.2	0.12	1.6
Legally required	1.39	7.7	1.68	11.1	0.88	11.2
Other	*	*	0.02	0.2	*	*

** cost per hour is $0.01 or less*

The next catalyst for change in compensation was the Second World War. Inflationary pressure caused by competition for limited resources forced the War Labor Board to regulate wage increases. Employers were encouraged to provide compensation that was not considered inflationary. Fringe benefits in the form of paid holidays and vacation, insurance and pension plans were offered. As a result, total compensation began to shift from wages alone to a combination of wages and fringe benefits.

This shift from wage income to fringe benefits continued in the postwar years. Tax incentives and group discounts made employer provided benefits, such as health insurance, attractive to workers. Union labor negotiators pressed for increased benefit packages to protect workers from income loss due to illness, accident and retirement. Today, over one-fourth of employee compensation is in the form of fringe benefits.

Total Compensation

Employer expenditures for fringe benefits continued to increase more rapidly than wages and salaries during the 1980s. Bureau of Labor Statistics (BLS) figures for the Employment Cost Index show that between June 1980 and June 1990, employer costs for benefits increased 84.2% while wages and salaries rose 58.1%, unadjusted for inflation. However, this rapid growth in benefit costs did not necessarily improve workers' standard of living. In fact, the opposite may be true.

Social Security tax increases combined with rapid escalation in health insurance premiums during the 1980s drove up benefit costs without providing improved benefit packages. Since each additional dollar spent on benefits cannot be spent on wages, inflation in fringe benefit costs resulted in smaller wage increases during the decade.

Employee compensation in private industry averaged $15.40 per hour worked during March 1991, according to the BLS. Of this amount, 72.3% of the costs ($11.14) were in the form of straight-time wages and salaries, while fringe benefits comprised the remaining 27.7% ($4.27). Mandatory benefits -- social security, workers' compensation and unemployment insurance -- were the most expensive and averaged $1.40. Other benefit categories were: paid leave ($1.05), insurance ($1.01), retirement and savings (44 cents) and supplemental pay (36 cents).

While these averages may be useful for tracking compensation costs for the economy as a whole, very few of us qualify as 'average' workers. Not surprisingly, wage and benefit costs vary widely among industries and occupations. Workers in goods-producing industries (mining, construction and manufacturing) received an average of $18.48 per hour in total compensation while workers in service-producing industries (transportation, communication, utilities, wholesale and retail trade, finance, insurance, real estate and services) earned $14.31, 22.6% less.

As indicated in Table 1, not only does the average worker earn lower wages in the service-producing sector, but fringe benefits represent a lower proportion of total compensation as well. Of the $4 less per hour earned by workers in the service-producing sector, $2 per hour is due to lower fringe benefits. Within the service-producing sector, workers in the two largest industry groups, retail trade and services, earned $8.81 and $14.70 per hour respectively.

When viewed from an occupational perspective, white-collar workers earned more than blue-collar or non-professional service workers. Table 2 shows that white-collar workers earned $18.15; more than twice the amount of total compensation earned by service workers ($7.82). Breaking down the occupational data even farther (Table 3), we find that professional and technical workers received $23.79 per hour while sales workers earned $12.90 per hour.

TABLE 3

Employer Costs per Hour Worked for Employee Compensation
Private Industry by Occupational Categories
Bureau of Labor Statistics
March 1991

	All	P/T	Exec	Sales	Admin	Svc	Craft
Total compensation	$15.40	$23.79	$28.15	$12.90	$13.17	$7.82	$19.24
Wage rate	11.14	17.54	20.85	10.00	9.41	5.96	13.26
Total benefits	4.27	6.24	7.30	2.90	3.76	1.85	5.98
Paid leave	1.05	1.95	2.43	0.65	0.99	0.35	1.18
Supplemental pay	0.36	0.40	0.53	0.23	0.24	0.11	0.64
Insurance	1.01	1.35	1.41	0.67	1.12	0.39	1.34
Retirement/saving	0.44	0.74	0.90	0.25	0.36	0.12	0.68
Legally required	1.40	1.79	1.99	1.10	1.04	0.88	2.11
Other	*	0.02	0.03	*	*	*	0.03

P/T = Professional specialty and technical workers
Exec = Executive, administrative and managerial workers
Admin = Administrative support, including clerical workers
Svc = Service workers
Craft = Precision production, craft and repair workers

** cost per hour is $0.01 or less*

Fringe Benefits

While compensation in the form of fringe benefits varies widely among industries and occupations, the dollar amounts in the prior paragraphs represent averages for all workers in the various categories. However, a recent Bureau of Labor Statistics study of fringe benefits found that many workers receive only the federally mandated benefits of social security, unemployment insurance and workers compensation.

Firm size plays a major role in determining the availability of fringe benefits. The smaller the establishment, the lower the percentage of workers participating in optional benefits. According to the BLS, 92% of full-time workers in medium and large establishments received medical care benefits while only 69% of full-time workers in small establishments (under 100 employees) received these benefits. Likewise, life insurance and retirement plan participation rates were at least 30 percentage points lower for full-time employees in small establishments (Table 4).

The plight of part-time workers in small establishments is even more dramatic. Only 6% of these workers were found to have medical benefits and participation rates in other benefit categories were similarly limited (Table 4). Ominously, certain sectors of our economy are becoming increasingly dominated by part-time employment.

Preliminary data for 1990 shows that nonsupervisory workers in service industries worked an average of 32.6 hours while retail employees averaged only 28.8 hours. Since 1964 average hours of work in the retail field have steadily declined from 37.0 to the current level. By BLS definition, workers are considered part-time if they work less than 35 hours a week.

TABLE 4

Percent of Employees Participating in Benefit Plans
Bureau of Labor Statistics

	Small Establishments* 1990			Medium/Large1989
	Total	Full time	Part time	Full time
Paid holidays	72	83	28	97
Paid vacations	76	88	29	97
Medical care	56	69	6	92
Life insurance	52	64	6	94
Retirement plan	36	42	10	81

** under 100 employees*

According to Chris Tilly in "Reasons for the continuing growth of part-time employment," *Monthly Labor Review*, March 1991, "..., since 1969, part-time jobs have expanded primarily because more employers view them as a means to cut labor costs, and not because more workers want them. In fact, involuntary part-time workers -- part-time workers who would prefer to work full-time hours -- account for most of the growth in part-time employment's share of the workforce since 1969." BLS figures show that the number of involuntary part-time workers increased 121 percent between 1970 and 1990.

Lest you conclude that a lack of medical benefits for workers in small establishments is a minor problem, you should know that almost two-fifths of the U.S. civilian work force are employed in small establishments. Of these estimated 40.8 million employees, 8.2 million work part-time. The Oregon Health Services Commission estimates that 450,000 Oregonians are without health insurance. Of this group, 41% work full-time and 15% work part-time. In a 1991 survey by The Gallup Organization, Inc. for Employee Benefit Research Institute, health insurance was found to be the most important employee benefit.

Conclusion

In review, fringe benefits as a part of total compensation have grown during the past 55 years in response to society's need for protection from financial misfortune. However, access to these benefits is not equal among workers. In fact, those who earn lower wages or work fewer hours also receive smaller fringe benefit packages - not just smaller in dollar terms but smaller as a percentage of total compensation. The workers least able to afford unexpected medical costs, or a disruption in income, are also least likely to have medical benefits, life insurance or disability insurance.

Growth in the number of involuntary part-time jobs offering low wages and few benefits, combined with stagnating wages for full-time workers has placed increasing strain on the American family. In an upcoming issue of *Oregon Labor Trends*, we will examine the social effects of these compensation trends and look ahead to the year 2000. Will our future be one of prosperity, lower living standards, or poverty? The answer depends on us. During the next ten years, decisions we make on the issues of education, health care and social welfare will determine America's future.

Oregon EMPLOYMENT DIVISION
OREGON LABOR TRENDS

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OREGON LABOR TRENDS

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INDICATORS

UNEMPLOYMENT RATE

Oregon *(Seasonally Adjusted)*

July	1991	5.6
June	1991	6.0
July	1990	5.6

United States *(Seasonally Adjusted)*

July	1991	6.8
June	1991	7.0
July	1990	5.5

WAGE AND SALARY EMPLOYMENT INDEX

Oregon *(1977=100)*

July	1991	135.3
June	1991	134.5
May	1991	134.3
April	1991	134.1
March	1991	134.8

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

June	1991	$11.52
May	1991	$11.44
June	1990	$11.05

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

June	1991	40.6
May	1991	39.5
June	1990	39.2

CONSUMER PRICE INDEX (CPI)
1982-84 = 100
All Urban Customers

Portland-Vancouver

Jan.-June 1991	132.8
Yearly Change	6.3%
Annual Average 1990	127.4
Annual Change	5.8%

United States

August 1991	136.6
Yearly Change	3.8%
Annual Average 1990	130.7
Yearly Change	5.4%

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IT'S A WONDERMENT. . .

Fred Klatz

A long time ago I saw a movie in which one of the main characters, in wide-eyed wonder, used the phrase: "It's a wonderment." I've pretty well forgotten the plot of the movie, but when I look at the course of Oregon's unemployment rate so far this year, that silly phrase comes bubbling up out of my memory. Of course, nobody who makes a profession of playing high-stakes economic trivia can bear letting a "wonderment" stand alone, unassailed, and immutably mysterious. So let's take a look at this "wonderment."

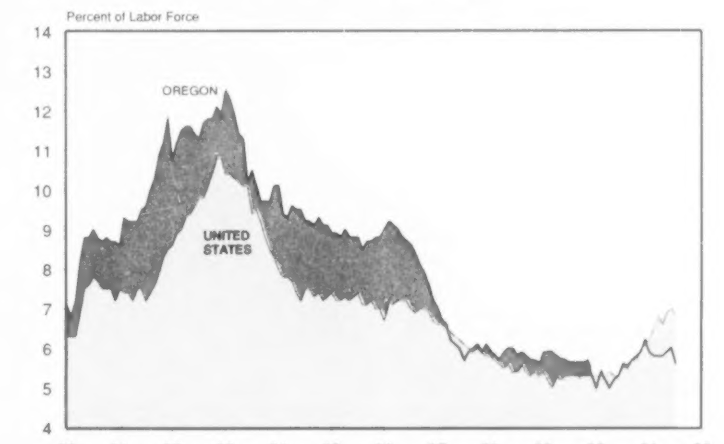
While the nation's raw and seasonally adjusted unemployment rates fell by two-tenths of a percentage point between June and July, Oregon's rates fell by twice that amount. Consequently, Oregon's seasonally adjusted and raw rates, both at 5.6%, now stand at more than a full percentage point below those of the nation. Our raw rate, using comparable methodologies, hasn't been below the national raw rate since the summers of 1977 and 1978. And then not with such a large spread.

Both Oregon and the nation improved between June and July; however, the nation showed some deterioration in its total employment on a year-to-year basis. U.S. total employment fell by over 1.2 million since July of '90 (a 1% drop), while Oregon's total employment increased by 2.8%.

The country's weakness in total employment was mirrored in payroll employment. While a decline in payroll employment is not out of character for the June-July period, the reduction was a little more than expected. Hence, seasonally adjusted payroll employment registered a very slight drop (-51,000). This tendency toward weakness may be more long term than just a month. A comparison with July 1990 shows that current U.S. payroll employment is lower by almost 1.5 million: a 1.4% decline.

While Oregon followed the nation in showing a small drop in payroll employment (-11,900), it was less than expected at this time of year. Consequently, seasonally adjusted employment showed a nominal increase between June and July: 0.6%. Oregon's

SEASONALLY ADJUSTED UNEMPLOYMENT RATES
OREGON AND THE UNITED STATES



Civilian Labor Force Only

OREGON NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	1/ JUL. 1991	2/ JUN. 1991	JUL. 1990	CHANGE FROM JUN. 1991	 JUL. 1990
TOTAL 5/	1,265,300	1,277,200	1,247,600	-11,900	17,700
WAGE & SALARY EMPLOYMENT INDEX 6/	135.3	134.5	133.3	XXX	XXX
GOODS PRODUCING INDUSTRIES 7/	274,600	267,800	284,200	6,800	-9,600
SERVICE PRODUCING INDUSTRIES 8/	990,700	1,009,400	963,400	-18,700	27,300
TOTAL MANUFACTURING	215,800	210,900	227,000	4,900	-11,200
DURABLE GOODS	152,700	150,900	161,700	1,800	-9,000
LUMBER & WOOD PRODUCTS	60,000	59,200	66,000	800	-6,000
LOGGING	11,300	10,800	11,900	500	-600
SAWMILLS	19,600	19,800	22,100	-200	-2,500
VENEER & PLYWOOD	12,400	12,300	14,800	100	-2,400
MILLWORK & STRUCTURAL WOOD	10,500	10,200	11,000	300	-500
MOBILE HOMES	2,000	2,000	2,000	0	0
OTHER WOOD PRODUCTS	4,200	4,100	4,200	100	0
FURNITURE AND FIXTURES	3,000	3,000	3,100	0	-100
STONE, CLAY, GLASS & CONCRETE	4,500	4,500	4,400	0	100
PRIMARY METALS	11,400	11,500	11,500	-100	-100
BLAST FURNACES, IRON & STEEL 9/	6,000	6,000	5,800	0	200
NONFERROUS METALS 9/	5,400	5,500	5,700	-100	-300
FABRICATED METALS	11,400	11,200	11,800	200	-400
FABRICATED STRUCTURAL METALS	4,900	4,800	5,100	100	-200
OTHER FABRICATED METALS	6,500	6,400	6,700	100	-200
MACHINERY	15,900	15,900	18,100	0	-2,200
OFFICE & COMPUTING MACHINES	4,100	4,300	4,600	-200	-500
OTHER MACHINERY	11,800	11,600	13,500	200	-1,700
ELECTRONIC & OTHER ELECTRIC EQUIPMENT 9/	17,700	17,500	17,500	200	200
TRANSPORTATION EQUIPMENT	13,100	12,600	13,200	500	-100
INSTRUMENTS & RELATED PRODUCTS 9/	11,700	11,600	11,900	100	-200
MISCELLANEOUS MANUFACTURING	4,000	3,900	4,200	100	-200
NONDURABLE GOODS	63,100	60,000	65,300	3,100	-2,200
FOOD & KINDRED PRODUCTS	26,500	23,600	28,700	2,900	-2,200
CANNING & PRESERVING	14,700	12,000	17,100	2,700	-2,400
OTHER FOOD PRODUCTS	11,800	11,600	11,600	200	200
TEXTILE MILL PRODUCTS	1,500	1,500	1,600	0	-100
APPAREL	2,800	2,800	2,800	0	0
PAPER & ALLIED PRODUCTS	9,600	9,500	9,600	100	0
PRINTING & PUBLISHING	14,400	14,500	14,100	-100	300
CHEMICALS & ALLIED PRODUCTS	2,400	2,400	2,400	0	0
PETROLEUM & ASPHALT PRODUCTS	700	600	600	100	100
RUBBER & PLASTIC PRODUCTS	4,700	4,600	5,100	100	-400
LEATHER PRODUCTS	500	500	400	0	100
TOTAL NONMANUFACTURING	1,049,500	1,066,300	1,020,600	-16,800	28,900
MINING & QUARRYING	1,800	1,800	1,700	0	100
CONSTRUCTION	57,000	55,100	55,500	1,900	1,500
BUILDING CONSTRUCTION	13,100	12,300	13,400	800	-300
HEAVY CONSTRUCTION	8,800	8,800	8,000	0	800
SPECIAL TRADE CONTRACTORS	35,100	34,000	34,100	1,100	1,000
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	64,500	64,900	63,400	-400	1,100
TRANSPORTATION	42,800	43,200	42,100	-400	700
RAILROAD	3,700	3,800	3,800	-100	-100
TRUCKING & WAREHOUSING	24,900	24,700	24,600	200	300
OTHER TRANSPORTATION	14,200	14,700	13,700	-500	500
COMMUNICATIONS	12,300	12,300	12,100	0	200
UTILITIES	9,400	9,400	9,200	0	200
TRADE	320,900	318,000	315,800	2,900	5,100
WHOLESALE TRADE	81,600	80,800	79,500	800	2,100
DURABLE GOODS	47,100	47,000	46,500	100	600
MACHINERY, EQUIPMENT, & SUPPLIES	10,700	10,700	10,900	0	-200
OTHER DURABLE GOODS	36,400	36,300	35,600	100	800
NONDURABLE GOODS	34,500	33,800	33,000	700	1,500
GROCERIES & RELATED PRODUCTS	12,200	11,800	12,100	400	100
OTHER NONDURABLE GOODS	22,300	22,000	20,900	300	1,400
RETAIL TRADE	239,300	237,200	236,300	2,100	3,000
BUILDING MATERIALS & GARDEN SUPPLIES	9,600	9,400	9,200	200	400
GENERAL MERCHANDISE	29,900	29,300	30,300	600	-400
FOOD STORES	40,200	39,500	40,300	700	-100
AUTO DEALERS & SERVICE STATIONS	28,100	28,200	28,200	-100	-100
APPAREL & ACCESSORY STORES	10,400	10,100	10,600	300	-200
FURNITURE & HOME FURNISHINGS	9,400	9,400	9,400	0	0
EATING & DRINKING PLACES	88,800	88,400	85,500	400	3,300
MISCELLANEOUS RETAIL	22,900	22,900	22,800	0	100
FINANCE, INSURANCE, & REAL ESTATE	84,100	82,800	80,800	1,300	3,300
FINANCE	29,000	28,600	28,700	400	300
INSURANCE	23,400	23,200	23,100	200	300
REAL ESTATE	31,700	31,000	29,000	700	2,700
SERVICES	307,900	307,600	296,500	300	11,400
HOTELS & OTHER LODGING PLACES	22,700	21,900	21,700	800	1,000
PERSONAL SERVICES	11,000	11,000	10,900	0	100
BUSINESS SERVICES	50,700	51,700	50,100	-1,000	600
AUTOMOTIVE & MISC. REPAIR SERVICES	17,400	17,600	17,000	-200	400
MOTION PICTURES & AMUSEMENTS	14,500	14,400	14,200	100	300
HEALTH SERVICES	88,200	87,900	85,500	300	2,700
LEGAL SERVICES	9,600	9,400	9,100	200	500
PRIVATE EDUCATION	12,800	13,600	11,900	-800	900
SOCIAL SERVICES	28,600	28,500	26,300	100	2,300
ENGINEERING & MANAGEMENT SERVICES	22,500	22,300	21,000	200	1,500
OTHER SERVICES & NEC	29,900	29,300	28,800	600	1,100
GOVERNMENT	213,300	236,100	206,900	-22,800	6,400
FEDERAL GOVERNMENT	36,000	35,700	36,200	300	-200
STATE GOVERNMENT	59,100	64,000	58,200	-4,900	900
EDUCATION	21,300	26,600	21,300	-5,300	0
OTHER STATE	37,800	37,400	36,900	400	900
LOCAL GOVERNMENT	118,200	136,400	112,500	-18,200	5,700
EDUCATION	66,100	85,400	62,000	-19,300	4,100
OTHER LOCAL	52,100	51,000	50,500	1,100	1,600
LABOR-MANAGEMENT DISPUTES 10/	100	0	400	100	-300

OREGON RESIDENT LABOR FORCE (BY PLACE OF RESIDENCE)

	JUL. 1991 1/	JUN. 1991 2/	JUL. 1990	CHANGE FROM JUN. 1991	CHANGE FROM JUL. 1990
CIVILIAN LABOR FORCE 3/	1,557,800	1,559,400	1,515,500	- 1,600	42,300
UNEMPLOYMENT	87,300	93,200	85,100	- 5,900	2,200
PERCENT OF LABOR FORCE	5.6	6.0	5.6	XXX	XXX
SEASONALLY ADJUSTED PERCENT	5.6	6.0	5.6	XXX	XXX
TOTAL EMPLOYMENT 4/	1,470,500	1,466,200	1,430,400	4,300	40,100

1/ Preliminary

2/ Revised

3/ Includes employed and unemployed individuals 16 years and older, adjusted for multiple job holding and commuting.

4/ Includes nonagricultural wage and salary, self employed, unpaid family workers, domestics, farm workers, and labor disputants.

5/ Includes full- and part time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self employed, private household workers and armed forces excluded. Note: These data are estimated in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration. All data are based on the 1987 Standard Industrial Classification (SIC) codes.

6/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of 0.8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).

7/ Goods producing industries include manufacturing, mining, and construction.

8/ Service producing industries include transportation, communications, and utilities; trade; finance, insurance, and real estate; services; and government.

9/ Series break. Data for 1988 and thereafter are not comparable to those for 1987 and before.

10/ Employees involved in labor disputes are not included in wage and salary employment counts.

economy continued to show some employment strength, with a 1.4% increase in payroll employment over last year at this time.

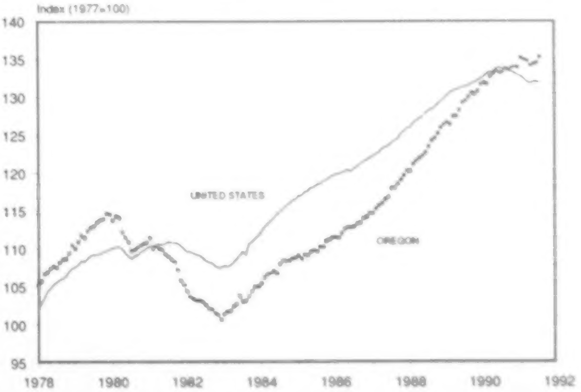
The manufacturing sector of Oregon's economy added 4,900 jobs in July, but this was a sharp annual loss of -4.9%. Most of the monthly strength was in food and kindred products, which gained 2,900. Even though this growth was more than expected, it only brought the level up to a point 2,200 below that of July 1990. Of the 11,200 annual decline in manufacturing payroll employment, over half was in lumber and wood products. This sector saw a fall of 9% in its employment on a year-to-year basis. On the other hand, U.S. manufacturing employment fell between June and July, but its annual decline of 4% was less than Oregon's.

Nonmanufacturing employment in Oregon moved in the opposite direction from manufacturing, showing a month-to-month loss of 16,800, and a year-to-year gain of 28,900.

The nation's construction industry also grew between June and July, but is sharply depressed (-9%) from year ago levels.

The July drop was centered in government and is normal for this time of year when schools break for summer vacation. Therefore, this decline was concentrated in state and local education, which fell by 24,600, or 22%. While this is a very large decrease, it is not as large as usual.

NONFARM WAGE & SALARY EMPLOYMENT INDEXES
(SEASONALLY ADJUSTED)



Construction employment was somewhat of an offset to Oregon's July decline in nonmanufacturing by growing both monthly and annually. Job gains were especially strong among special trades contracting firms. The June-July increase of 1,900 jobs is not considered to be exceptional for this time of year. The nation's construction industry also grew between June and July, but is sharply depressed (-9%) from year ago levels.

Retail trade in Oregon followed construction's pattern of increasing both month-to-month and year-to-year. The June-July upswing was exceptionally strong for this time of year. General merchandise and food stores were heavy contributors to this rise. Retail trade at the national level followed the opposite course with job losses over both the month and year.

Oregon's wholesale trade sector added 800 jobs in July, quite a bit more than expected for this time of year. Also its yearly increase of 2.6% was quite strong. Nationally, wholesale trade fell between June and July and was 2.6% lower than a year ago. Additionally, on a seasonally adjusted basis, employment has been falling since March. This is a worrisome trend at the national level, since the seasonally adjusted numbers should be showing a real economic trend rather than a temporary seasonal fluctuation. The negative indications at the national level in trade employment may be an indication of a weak consumer reaction to other positive signs in the economy. The opposite situation in Oregon may help to explain why Oregon's unemployment rate is staying lower than the national rate.

The services sector of Oregon's economy turned in a very small employment increase between June and July, but exhibited a strong annual growth of 3.8%. Health services led the way in absolute numbers, 2,700, but trailed percentage-wise. Social services gained the most in percentage terms (8%), followed by engineering and management services (7%), and hotel and lodging places (5%). Nationally, the service industries didn't hold up as well in July. Some actually fell from their June levels, but overall, were still 1.4% higher than last year. Unlike Oregon, health services nationally showed a 5% gain over last year's employment. Annual growth in business services at the national level was negligible, and there was a slight decline in the monthly employment estimates.

UNEMPLOYMENT RATES BY AREA

Area	1990 Rank	1990	1989	1989-90 Change
United States		5.5	5.3	0.2
Oregon		5.5	5.7	-0.2
Gilliam	1	3.0	4.1	-1.1
Benton	2	3.8	3.5	0.3
Portland PMSA 1/	3	4.2	4.5	-0.3
Malheur	4	5.3	7.3	-2.0
Salem MSA 3/	5	5.4	5.9	-0.5
Sherman	6	5.6	6.7	-1.1
Curry	7	5.8	6.4	-0.6
Eugene MSA 2/	7	5.8	5.5	0.3
Deschutes	9	5.9	6.8	-0.9
Lincoln	10	6.0	6.0	0.0
Tillamook	11	6.1	6.8	-0.7
Clatsop	12	6.4	6.4	0.0
Jefferson	12	6.4	6.0	0.4
Crook	14	6.6	7.2	-0.6
Medford MSA 4/	15	6.8	6.7	0.1
Union	15	6.8	7.5	-0.7
Wallowa	17	7.3	7.5	-0.2
Columbia	18	7.4	7.3	0.1
Hood River	19	7.8	8.2	-0.4
Linn	19	7.8	7.5	0.3
Wasco	19	7.8	8.3	-0.5
Josephine	22	8.0	7.8	0.2
Baker	23	8.2	8.1	0.1
Umatilla	24	8.3	9.7	-1.4
Douglas	25	8.4	7.8	0.6
Grant	25	8.4	8.8	-0.4
Morrow	27	8.8	12.5	-3.7
Coos	28	9.0	9.8	-0.8
Harney	29	9.2	11.0	-1.8
Klamath	30	9.3	7.8	1.5
Lake	30	9.3	9.5	-0.2
Wheeler	32	10.8	9.8	1.0

1/ Clackamas, Multnomah, Washington & Yamhill counties
2/ Lane County
3/ Marion & Polk counties
4/ Jackson County

In conclusion, Oregon's unemployment rate continues to outpace the nation's in terms of improvement. Oregon's unemployment rates, both seasonally adjusted and raw, are now at historic spreads below those of the country as a whole. While payroll employment fell between June and July, the decline was expected: it was centered in the education sectors of state and local government. On an annual basis, the total payroll employment trend is positive, but that masks a fall in manufacturing employment. Manufacturing registers a consistent picture of negatives across most of its constituent industries. However, the negative impact of manufacturing industries is washed out by increases in nonmanufacturing payroll employment.

A HOUSE DIVIDED

When we speak of unemployment rates, it is easy to assume that the unemployment that they represent is spread fairly evenly over a given geographic area. For example, the unemployment rate for Oregon improved between June and July. Right? Well, that depends on what you mean by "Oregon."

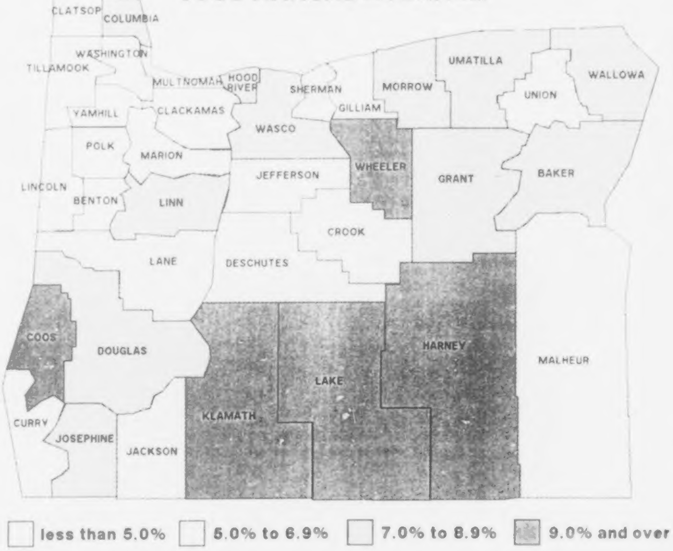
Manufacturing registers a consistent picture of negatives across most of its constituent industries.

The national unemployment rate also improved, but the media has pretty well highlighted the fact that there are states and regions within the U.S. which are still having economic problems. In fact, the perception of the economic health of the nation may well be affected by where the particular observer is doing his or her observing. Some people are having difficulty accepting the idea that the country is in the throes of a recovery; they're looking for a "double dip" recession. But the *Wall Street Journal* (Western edition, Friday, August 23, 1991, page 1, col. 1) points out that: "...such pessimism could be because most such pundits live or work in New York City and other hard hit areas in the Northeast or Southwest, which badly trail other regions."

This same sort of situation is true in our state. The rate for the state may be quite low, or improving significantly, but some counties may still be showing high rates of

UNEMPLOYMENT RATES BY AREA

1990 ANNUAL AVERAGE



unemployment. This is accepted almost as a "fact of life." One of the reasons this is so acceptable is that it is so consistent. In July, Portland, with 46% of the state's civilian labor force, accounted for only 39% of the state's unemployment. Hence its rate at 4.7% was relatively low when compared with other counties. This means that other areas of the state produced that "extra" unemployment. The July area estimates show that out of the 31 labor market areas which are outside of Portland, eight had unemployment rates at or below Portland's. This was quite a bit better than in June, when four counties' rates were at or below Portland's. However, the situation in June tends to be more the rule than that in July. If we look at the annual average unemployment rates for Oregon's labor market areas we can verify that.

Oregon, like the nation, is not monolithic, and economic prosperity can be very localized.

In the 1980s there were only two counties that consistently showed annual average unemployment rates at or below Portland's: Benton (July labor force = 37,900) and Gilliam (July labor force = 1,340). Even though the definition of what comprises the Portland labor market was changed in 1983, so that a comparison of current data to figures prior to that date isn't precise, there seemed to be more counties in the mid-70s with annual unemployment rates at or below Portland's. The reason I bring this up is because one would think that, with the long period of economic improvement that has become the hallmark of the previous decade , more counties would be showing lower unemployment rates. After all, the state rate peaked in 1982 at 11.5% and has been falling ever since. It would appear that Oregon, like the nation, is not monolithic, and economic prosperity can be very localized. In fact, there may be some observers and residents of Oregon who do not consider the state's unemployment rate to be a "wonderment."

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	June[2] 1991	May[3] 1991	June 1990	June[2] 1991	May[3] 1991	June 1990	June[2] 1991	May[3] 1991	June 1990
TOTAL MANUFACTURING[4]	$467.71	$451.88	$433.16	40.6	39.5	39.2	$11.52	$11.44	$11.05
Durable Goods	476.68	454.57	441.86	41.2	39.7	39.7	11.57	11.45	11.13
Lumber & Wood Products	478.08	450.40	444.21	41.9	40.0	40.2	11.41	11.26	11.05
Logging & Sawmills	517.33	483.60	476.00	42.3	40.0	40.0	12.23	12.09	11.90
Veneer & Plywood	456.77	426.78	416.30	41.6	39.7	39.2	10.98	10.75	10.62
Millwork & Structural	409.19	402.87	401.21	41.5	40.9	42.1	9.86	9.85	9.53
Mobile Homes	382.98	335.39	369.03	39.2	34.9	39.3	9.77	9.61	9.39
Other Wood Products	466.90	445.81	423.20	42.6	40.9	40.0	10.96	10.90	10.58
Furniture & Fixtures	395.21	393.39	368.89	39.6	39.3	37.0	9.98	10.01	9.97
Primary Metals	532.06	531.62	475.01	41.6	41.5	38.4	12.79	12.81	12.37
Fabricated Metals	442.68	427.85	408.06	40.8	39.8	38.9	10.85	10.75	10.49
Machinery (Ex Electrical)	460.78	435.05	450.06	41.4	38.5	40.4	11.13	11.30	11.14
Nondurable Goods	444.96	442.71	413.39	39.1	38.8	38.1	11.38	11.41	10.85
Food & Kindred Products	356.63	363.34	330.64	37.5	37.0	35.9	9.51	9.82	9.21
Canning & Preserving	294.63	304.32	267.70	36.6	36.1	33.8	8.05	8.43	7.92
Other Food Products	439.65	437.77	430.10	38.6	38.2	39.1	11.39	11.46	11.00
Textile Mill Products	281.78	275.91	268.48	39.3	37.9	38.3	7.17	7.28	7.01
Apparel	280.74	272.84	265.57	39.1	38.7	38.6	7.18	7.05	6.88
Paper & Allied Products	674.10	682.40	633.29	42.8	43.8	41.5	15.75	15.58	15.26
Printing & Publishing	498.73	474.30	475.64	38.1	37.2	37.6	13.09	12.75	12.65
Construction[4]	586.59	589.48	581.77	36.8	35.9	37.9	15.94	16.42	15.35
Communications & Utilities[5]	637.56	626.80	581.80	42.0	41.4	40.6	15.18	15.14	14.33
Trade[5]	293.97	273.11	329.47	32.7	31.0	35.2	8.99	8.81	9.36
Wholesale Trade	471.23	441.22	433.58	39.8	38.4	38.1	11.84	11.49	11.38
Retail Trade	236.21	218.22	276.34	30.4	28.6	33.7	7.77	7.63	8.20
Banking & Insurance[5]	409.11	379.10	362.41	39.0	35.9	37.4	10.49	10.56	9.69
State & Local Government	427.64	423.49	403.74						

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[1] Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1987 Standard Industrial Classification (SIC) codes.

[2] Preliminary

[3] Revised

[4] Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.

[5] Data for nonsupervisory employees only, excluding proprietors and executive personnel. Prior to 1991, data for retail trade excludes eating and drinking places.

HOW VALID IS THE 1990 OREGON SURVEY?

Edward Schafer and Matthew Barmack

(Edward Schafer is the Director of the Center for Population Research and Census at Portland State University. Matthew Barmack is a Summer Intern in the Center for Population Research and Census and a Senior at Harvard University where he is studying economics.)

Introduction

During the spring of 1990, the Executive Department of the State of Oregon commissioned a statewide telephone survey of households. This survey, known as the Oregon Survey, is the first of a series of data collection efforts to be continued on a biennial basis. The purpose of the survey is to provide basic demographic and socioeconomic information at state and regional levels for policy and program formulation.

The timing of the first Oregon Survey was purposefully selected to coincide with the 1990 Decennial Census so that the results of these two independent data collection efforts could be compared. The results of the comparison should reveal sampling bias within the survey. This information can then be used to construct a post-survey weighting scheme for the 1990 survey and a weighting scheme for use on additional surveys throughout the 1990s.

This report provides a comparison of the results of the 1990 Oregon Survey with those obtained for Oregon from the complete count questionnaire of the 1990 Decennial Census. The comparisons will focus on the following items: household population, number of persons per household, tenure of households, age distribution of the population, and the race and ethnicity of the population.

Design of the 1990 Oregon Survey

The Oregon Survey is a sample survey of 3,200 Oregon households, 400 from each of eight county groups. It was determined that a sample size of 400 households would provide sufficiently precise estimates of social and economic characteristics of the population of these regions.

Within each region, households were selected through a random digit dialing procedure called "one-plus dialing." Telephone numbers were systematically selected from directories. The value of one was added to the selected number to insure that households with new, changed, and/or unlisted numbers had an equal chance of selection in the survey. Once contact with the household was established, a random process based upon the birthdays of the household members was used to select respondents within each sampled household. At least three attempts were made to contact and interview the selected respondent (Bardsley & Neidhart, Inc., 1990).

Once the respondent was selected and contacted a seven page questionnaire was administered over the telephone. Basic socioeconomic and demographic information concerning the household and its members such as age, sex, education, income, labor force status, occupation and tenure was collected. The survey also included questions on the respondent's attitudes on social, economic, and political issues such as the Oregon Lottery.

Design of the 1990 Census

The 1990 Census is designed to be both a complete enumeration of the nation's households and population and a sample survey of other socioeconomic attributes. A set of questions pertaining to basic demographic and housing unit characteristics are asked of all households while socioeconomic and additional demographic information is sought from a sample of households. The data are collected using primarily a mail-out/mail-back questionnaire. In those areas of the nation where normal street addresses are not in use, a mail-out/enumerator pick-up method of data collection was employed.

> ***...the census data refers to the state's total population while the Oregon Survey covers only the household population...***

Following the collection of the 1990 Census information, the U.S. Bureau of Census conducted a post-enumeration survey to assess the completeness of coverage of the census. This national survey of 160,000 U.S. households allowed the Bureau to estimate the rate of under- or over-coverage of the census to sub-state areas. The results of the post-enumeration survey indicate that the undercount of the 1990 Decennial Census in Oregon was approximately 1.9%. This was less than occurred nationally (2.1%).

Although there is solid evidence of significant undercount of population and possibly a corresponding undercount of housing units in Oregon, we will use the 1990 Census as the basis for evaluating the Oregon Survey. Although flawed, it is the "benchmark" for subsequent estimates and projections.

Comparisons Between the Oregon Survey and the 1990 Census

In order to compare the results of the Oregon Survey and the Census at the statewide level, we generated an estimate of statewide population, household size, household tenure, age distribution, and race and ethnicity from the Oregon Survey data. We disaggregated the raw data from the Oregon Survey by county. We then calculated a weighted average of these county data, where each weight was the ratio of households surveyed in the Oregon Survey to the number of households enumerated in the 1990 Census for each county.

At first glance, the results of the Oregon Survey seem close to the results of the 1990 Census (Table 1). While the 1990 Census enumerated 2,842,321 persons in Oregon, Oregon Survey data indicates a population of 2,856,711. Considering the possibility of undercounting in the census and random sampling error in the survey data, this difference has little significance. However, the census data refers to the state's total population while the Oregon Survey covers only the household population; i.e., it excludes people living in prisons, college dormitories, retirement homes, and other institutions. In 1990 this non-household population in Oregon amounted to 66,205 persons, or 2.3% of the total enumerated population. Compared with the census enumerated household population, the Oregon Survey estimate is nearly 3% higher.

What accounts for this discrepancy? From Table 2, we see that the average household size estimated from the Oregon Survey data is 2.59. This is significantly higher than the household size of 2.52 for Oregon from the 1990 Census. If we use the figure from the Oregon Survey rather than the 1990 Census, we would incorrectly conclude that average household size had not changed in Oregon during the 1980s (2.60 versus 2.59) when, in fact, it has declined by 3.1%.

Table 1

Total and Household Population, 1990 Census, and Estimates of Household Population, Oregon Demographic Survey

	1990 U.S. Census		Oregon Demographic Survey
	Total Population	Household Population	Survey Population
Number	2,842,321	2,776,116	2,856,711
Percent of total population 1990 Census	100.0%	97 7%	100.5%

Table 2

**Households by Number of Persons per Household
Oregon Demographic Survey and 1990 Census**

	Survey	Census	Difference
1 person	231,946	278,716	-16.8%
2 persons	413,574	394,530	4.8%
3 persons	182,059	173,937	4.7%
4 persons	176,928	154,776	14.3%
5 persons	67,424	64,669	4.3%
6 persons	18,171	22,912	-20.7%
7+ persons	13,209	13,773	- 4.1%
Total	1,103,311	1,103,313	
Average household size	2.59	2.52	

What explains these differences found between the 1990 Census and the Oregon Survey? In short, the problems encountered with the Oregon Survey are typical of all telephone surveying, and to a lesser extent, house-to-house surveys. In telephone surveying, in order to successfully obtain an interview you must first call the household during a time when a member of that household is home. In general, the more people who live in a household, the more often someone in the household is going to be physically present in the housing unit. Thus, it is not surprising that larger households are easier to contact in telephone surveys. In particular, it is difficult to find single-person households. This fact becomes obvious when you compare the estimated distribution of household sizes from the Oregon Survey to the actual distribution of household sizes enumerated in the 1990 Census (Table 2). The number of 1-person households estimated from the Oregon Survey (231,946) is nearly 17% below the number of 1-person households counted in the Census (278,716). Similarly, the number of 4-person households in the survey is 14% greater than the number found by the 1990 Census.

This problem with telephone surveys also accounts for the discrepancy between the results of the Oregon Survey and the census on household tenure (Table 3). A disproportionate number of singles rent. Thus, it is to be expected that the proportion of renters from the Oregon Survey is too low.

Since the Oregon Survey is a household survey, it excludes the population in institutions, and this affects age distribution estimates. A disproportionate number of the elderly are institutionalized. The 1990 Census counted 18,105 people age 65 years and older living in institutions. Thus, we would expect the Oregon Survey to estimate a household population of roughly 373,300 persons age 65 years and older. Yet, the actual estimated population 65 years and over is 412,119 (Table 4). This represents an over-estimate of approximately 10.5%. Again, the over-estimation of the elderly population reflects the fact that the Oregon Survey was conducted by telephone and the elderly are more likely to be found at home.

Table 3

**Tenure of Housing Units
Oregon Demographic Survey and 1990 Census**

	Survey	Census	Difference
Owner occupied units	746,266	695,957	7.2%
Renter occupied units	356,155	407,356	-12.6%
Total	1,102,421	1,103,313	- 0.1%

Table 4

Population by Age

Age	Survey (Household Population)	Census (Total Population)	Difference
0-19	835,479	802,516	4.1%
20-64	1,609,113	1,648,481	-2.4%
65 plus	412,119	391,324	5.3%
Total	2,856,711	2,842,321	0.5%

Another problem with the Oregon Survey was the way in which respondents were asked to describe their race and ethnicity. In the census, respondents are asked to identify their race (White, Black, American Indian, Eskimo, Aleut, Asian and Pacific Islander, or other) and their ethnicity (Hispanic or non-Hispanic). In the Oregon Survey these two concepts were combined. Thus, there is no valid comparison on race between the 1990 Census and the Oregon Survey. However, we have included Table 5 which contains race and ethnicity data for illustrative purposes.

Table 5

**Race and Ethnicity of Householder
Oregon Demographic Survey and 1990 Census**

Race & Ethnicity	Survey	Census
White	1,033,697	1,043,711
Black	17,798	15,385
American Indian	20,035	11,923
Asian & Pacific Islander	13,366	20,008
Other	n/a	12,286
Hispanic	17,023	28,204
Missing	1,394	n/a
Total	1,103,313	1,103,313

Conclusion

While this article has taken a critical approach to the evaluation of the 1990 survey, we wish to conclude our evaluation by noting that the Oregon Survey does provide reasonable estimates for most demographic variables. For example, the survey overestimates average household size by only 3%. In addition, the estimates of two- and three-person households is less than 5% too high. Only the elderly population was significantly over-estimated (10%).

One of the motivations for establishing the Oregon Survey was to provide detailed demographic and socioeconomic data for the state and sub-state areas, such as provided by the Decennial Census, in noncensus years. This first Oregon Survey was conducted at the same time as the 1990 Census as an experiment to look for sampling errors and biases related to surveying techniques. Several problems with the Oregon Survey are apparent. These must be addressed by attempting to reduce the biases of the survey using statistical techniques or by changing the way in which the survey is conducted. Currently, sufficient 1990 Census data have been released so that survey users can construct post-survey weighting schemes. These post-survey weights will help offset the under-representation of single-person households. Also, it will be possible to construct additional weights correcting for the fact that not all households have telephones following the release of 1990 Census Summary Tape File 3 (STF3) which contains information on household telephone service. Finally, the race/ethnicity problem in the 1990 Oregon Survey will be easy to correct in later versions of the survey by re-phrasing the question.

In conclusion, the 1990 Oregon Survey provides reasonable estimates of the household population of the state. It could easily be made better by developing a post-survey weighting scheme to counteract some of the bias typical of telephone survey techniques. Additional evaluation of the survey should be done following the release in 1992 of STF3, particularly those items dealing with socioeconomic information (income, occupation, industry, and poverty status).

EMPLOYERS' CORNER

HAS OR - OSHA CALLED ON YOU LATELY?

Barbara Sharp

(Editor's note: Barbara Sharp is President of Sharp Management Services, a Tigard, Oregon consulting firm.)

OR-OSHA - Oregon Occupational Safety and Health Administration - the term conjures up fear in most people, especially those of us in personnel.

In many companies, the task of complying with the various agencies' laws has fallen on the personnel desk as a matter of "convenience." Never mind that the personnel manager has had not one hour of risk management or safety training. Those things are common sense or come by rote, right? WRONG!

With the new Worker's Compensation reform of 1990, a push has been made by OR-OSHA to assist employers in complying with many regulations. Your safety committee implementation is a start and can be a great help to your personnel manager in getting the ball rolling.

OR-OSHA is looking for many things these days, some of which are:

1. Is your safety committee implemented, etc?
2. If you need a hazard communication program, do you have one? Are employees trained?
3. Are safety hazards being addressed?
4. Forklift training?
5. Lockout/tagout program done?
6. Are there guards on grinders and other pieces of equipment where they are necessary?

And the list goes on and on....

To be in compliance, you must have knowledge of the codes. There is assistance. You can call OSHA's consultative office (378-3272) and ask for a consultant to help you or you can look in the Yellow Pages under "safety consultants."

But whatever you do, DO SOMETHING. Do not wait until the compliance officer shows up at your door for an audit.

NEW PUBLICATIONS

The Oregon Economic Development Department has recently updated two publications.

Economic Profile of Oregon

Economic Profile of Oregon covers the state's economic trends of the past ten years. From population to international trade, from employment to inflation, the publication provides summary-level data for a quick view of Oregon's economy during the recession and recovery of the 1980s. 36 pages, $3.50 postpaid. To order, send a check or money order to Marketing Services Section, Oregon Economic Development Department, 775 Summer St NE, Salem, Oregon 97310.

County Economic Indicators

County Economic Indicators contains data for each of Oregon's thirty-six counties. The data cover the years 1980 to 1990 and range from population to building permits and from average payroll to assessed value of property. About 80 pages. For price, call 1-800-233-3306 (within Oregon) or (503) 373-1290.

Contains Recycled Materials

Oregon EMPLOYMENT DIVISION

OREGON LABOR TRENDS

Oregon Labor Trends is published monthly by the Research and Statistics Section of the Oregon Employment Division.

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